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BEIJING RADIO NEW YEAR MESSAGE HOPES FOR PEACE

OW021015 Beijing in English to East and South Africa 1700 GMT 1 Jan 86

[Text] Nineteen eighty-six is here. We now bring you Radio Beijing's new year message:

The International Year of Peace sponsored by the United Nations is now beginning. We wish you happiness and success in 1986.

The slogan "For a Better World" put forward by the United Nations has received a warm response around the world. Striving for a better world requires peace and development. The Chinese people know this from their own experience. Before the founding of New China the Chinese people had suffered from a century of wars -- imperialist wars of aggression, wars among Chinese warlords, and wars imposed on the people by reactionaries. This has taught the Chinese people to cherish peace, and they and their government have made unremitting efforts in the past 36 years to strive for peace.

The Chinese Government decided in 1985 to cut 1 million troops from its Armed Forces. This is evidence of the Chinese people's determination to safeguard world peace.

The International Year of Peace arouses hopes for a beautiful future. We look forward to the day when human resources will be used to build factories, hospitals, and schools instead of tanks, guns, and nuclear weapons. We look forward to the day when mankind will not feel gunfire, when the young people of all nations will no longer fight each other on the battlefield, and when no foreign troops and military bases will exist in any other country or region. This no doubt is the hope of all our friends the world over.

In today's world we do not enjoy peace and security. Some countries are expanding their arsenals, their nuclear arsenals in particular, in order to seek world domination. They now possess more than 95 percent of all the world's nuclear weapons and are increasingly flexing their military muscles posing a serious threat to world peace.

But all this is not to say a new world war is in sight. We are optimistic about the future. We are happy to note the Third World countries are playing an increasingly important role in the running of world politics. They urgently demand the relaxation of international tension and reasonable solutions to regional and international issues. They are a main force in opposing war and defending world peace.

We are also happy to note that Europe, Japan, Canada, Australia, and New Zealand all want detente between the East and the West and [word indistinct] the arms race.

All these forces for peace should join hands to build a new beautiful world in which war becomes a distant memory.

QIAN QICHEN: NO IMPROVEMENT IN POLITICAL RELATIONS

OW031154 Beijing XINHUA in English 1138 GMT 3 Jan 86

["No Improvement in Sino-Soviet Political Relations: Qian Qichen" -- XINHUA headline]

[Text] Beijing, January 3 (XINHUA) -- Sino-Soviet political relations have not improved in recent years, despite increases in economic and personnel exchanges, according to Vice-Foreign Minister Qian Qichen. "Such relations have not yet been normalized, because three obstacles still stand in the way," Qian said in an exclusive interview with BEIJING REVIEW, which is carried in the weekly's coming issue. The obstacles refer to massive concentrations of Soviet troops along the Sino-Soviet border and in Mongolia, Soviet backing of Vietnam in its aggression against Kampuchea, and Soviet armed occupation of Afghanistan.

The vice-minister is quoted as saying that China sincerely hopes to improve its relations with the Soviet Union and has adopted a series of measures for this purpose. "The Soviet Union, while repeatedly expressing the desire to improve relations with China, has tried, under various pretexts, to dodge discussion on ways to remove these existing obstacles," he said. "It seems that the Soviet side has a misconception that it can get around these obstacles, or that the obstacles will vanish by themselves." He stressed that this calculation of the Soviets is "unrealistic and unwise." "On matters of principle, on matters that concern China's security interests and the upholding of international justice, China is unshakable in its resolve," he pointed out.

China is unequivocally opposed to the arms race, especially the nuclear arms race, he said. "On this issue, we appeal to both the Soviet Union and the United States to halt the arms race," he added. "On the question of regional conflicts, we criticize the responsible parties, no matter who they may be," he said.

In response to a question about China's relations with other Third World countries, Qian said that the Third World nations are the main force for the prevention of war and the maintenance of peace. They are also an indispensable factor in the endeavor for the development and common prosperity of the world. "It is China's basic foreign policy to strengthen its unity and co-operation with the other Third World nations," he said.

The vice-minister stressed that independence is the cornerstone of China's foreign policy. "China can best help preserve world peace and stability by pursuing an independent foreign policy for peace," he noted. Qian illustrated the basic points of the independent foreign policy as follows:

- China never allies itself or establishes strategic relationships with any big power;
- it opposes all forms of hegemonism, and defends world peace;
- it seeks to establish and expand friendships and co-operation with all nations on the Five Principles of Peaceful Coexistence;
- it firmly sides with the Third World nations.

"China is rock-firm in pursuing its independent foreign policy of peace, and no big power should expect China to change its course," he said.

GORBACHEV INSISTS U.S. ABANDON SDI PROGRAM

OW021655 Beijing XINHUA in English 1645 GMT 2 Jan 86

["Gorbachev: Abandonment of Star Wars Key to Arms Control Progress" -- XINHUA headline]

[Text] Moscow, January 2 (XINHUA) -- Soviet leader Mikhail Gorbachev today insisted that the U.S. must abandon its "star wars" program before progress can be made at the Geneva arms control talks, which are set to resume this month.

In a letter to a British politician, Gorbachev said "Progress at the Geneva talks is only possible if space strike armaments are completely prohibited," the Soviet news agency TASS reported. The Soviet leader said Moscow will do its utmost "to close the door to space for weapons and to achieve radical reductions in nuclear armaments and their eventual complete elimination."

Gorbachev's letter was to Kenneth Livingstone, head of the Greater London Council, a municipal governing body, who wrote to the Soviet leader last month stressing that never has been there a stronger need than today for the progress of international disarmament talks. Saying that Moscow favors "the immediate freezing of nuclear armaments and the complete prohibition of their tests in perpetuity," Gorbachev again asked the United States to join Moscow's unilateral moratorium on nuclear tests, introduced on August 6 last year and which expired after five months on January 1. "It now depends on the U.S. Government to realize the prospect of it becoming a mutual agreement," Gorbachev said.

The Soviet leader also said his country was prepared to begin three-way talks with the United States and Britain on a comprehensive nuclear test ban, to seek a "mutually acceptable solution to this problem."

When touching upon the Soviet approach towards nuclear-free zones, Gorbachev called on countries to refuse to accept nuclear weapons. "For example," he said, "if Britain fully rejected nuclear weapons and dismantled foreign nuclear bases on its territory, the USSR would guarantee that the Soviet nuclear weapons will be neither trained on the British territory, nor used against it."

EGYPTIAN PAPER REPORTS SOVIET TROOPS IN LIBYA

OW011600 Beijing XINHUA in English 1554 GMT 1 Jan 86

[Text] Cairo, January 1 (XINHUA) -- Some 2,000 Soviet military personnel are now manning seven SAM-5 anti-aircraft missile launchers deployed in different parts of Libya, the Egyptian daily AL-AHRAM reported today. Libyans are not allowed to enter into the anti-aircraft missile bases which received orders direct from Moscow, it said. The Soviet-made missiles have a range of 250 kilometers mainly intended for hitting reconnaissance planes, the report said.

GU XIULIAN SENDS NEW YEAR GREETINGS TO DPRK

SK030021 Beijing International Service in Korean 1100 GMT 31 Dec 85

[Radio speech by Gu Xiulian, member of the CPC Central Committee and governor of Jiangsu Province -- in Chinese fading into Korean translation]

[Excerpts] Greeting the sixth spring of the 1980's, the Korean people's sincere feelings of friendship toward the Chinese people comes to my mind. While leading a friendship delegation from Jiangsu Province, China to Kangwon Province, the DPRK in June 1985, I personally felt the Korean people's feelings of fraternal friendship toward the Chinese people and directly witnessed the steady struggle of the Korean people for socialist construction and the appearance of prosperous and beautiful Korea.

Ring out the old year and ring in the new, and representing the people's government of Jiangsu Province and the 60 million people of our province, I extend hearty and warm holiday congratulatory greetings to the Korean people and sincerely wish them more brilliant success in socialist construction and in their struggle to achieve the fatherland's peaceful reunification.

Under the warm consideration shown by the Central Committees of the two parties of China and Korea, our Jiangsu Province and Kangwon Province of Korea cultivated relations of friendly provinces in 1984. In November the same year, a friendly delegation of Kangwon Province visited Jiangsu Province led by Comrade Choe Pok-hyon, chairman of the Kangwon Provincial Administrative and Economic Committee and signed with us in Nanjing an agreement for cultivating relations of friendly provinces, adding another significant chapter to the history of Chinese-Korean friendship. I regard as an honor the cultivation of relations of friendly provinces between Jiangsu and Kangwon Provinces.

Jiangsu and Kangwon Provinces have a glorious tradition. While visiting China in April 1975, President Kim Il-song, the great leader of the Korean people, personally visited Nanjing, where the government of our province is located. Comrade Secretary Kim Chong-il also visited Nanjing during his June 1983 visit to China. The warmth, respect and admiration with which the people of Nanjing welcomed Comrades Kim Il-song and Kim Chong-il, remain vivid memories today.

When a friendship delegation of our Jiangsu Province visited Kangwon Province in June 1985, Comrades Secretary Yim Hyong-ku and Chairman Choe Pok-hyon told us that they were very glad to see that Kangwon and Jiangsu Provinces had cultivated relations of friendly provinces. The bamboo seedlings that Comrade Mao Zedong had sent to Comrade Kim Il-song in the 1950's took root in Kangwon Province and have formed a bamboo forest on hundreds of changbo of land. Such a beautiful story of Chinese-Korean friendship has been widely told.

Though we stayed in Korea for only 10 days, we were deeply impressed during this visit. We deeply felt that, as noted by the people, the friendship sealed in blood between the peoples of China and Korea is a lasting one that should be inherited generation after generation. We received warm hospitality from the Korean people everywhere we visited. The Korean people's feelings of single-hearted friendship toward us were a manifestation of heartfelt brotherly affection.

As noted by Comrade Yi Chong-ok in a meeting with us, Chinese-Korean friendship is a friendship that was personally cultivated and developed by Comrades Mao Zedong, Zhou Enlai, and Kim Il-song and that has been maintained in blood through the protracted revolutionary struggle. It is an invincible friendship that will overcome any trials whatsoever.

This friendship has been further strengthened and developed under the considerations shown by the leaders of China and Korea. Six months have passed since we visited Korea. We will never forget the significant days that we spent in Korea, along with the Korean people's feelings of deep friendship. Chinese-Korean friendship will continue forever like a great river and will shine forever like the towering Mt Kumgang. Relations of friendship between Jiangsu and Kangwon Provinces will further develop with the passage of time. We hope that the 60 million people of the beautiful country will achieve the cause of the fatherland's independent and peaceful reunification at the earliest possible date.

KIM IL-SONG MESSAGE STRESSES REUNIFICATION

OW011330 Beijing XINHUA in English 1317 GMT 1 Jan 86

[Text] Pyongyang, January 1 (XINHUA) -- President Kim Il-song in his new year address today called on the party and the people to unite and greatly promote socialist economic construction and fight for an early independent, peaceful reunification of the fatherland. Kim said that North-South contacts were made last year, and for the first time during 40 years, art ensembles and home-visiting delegations from both sides exchanged their visits, which have brought happiness to the compatriots and enhanced the people's enthusiasm for reunification throughout the country.

Reunification should be attained on the basis of three principles -- independence, peaceful reunification and great national unity, Kim stressed. He said the northern side will strive to dispel misunderstanding and distrust, in the spirit of the July 4th North-South joint statement, and remove confrontation between the North and the South and to implement a reasonable plan for peaceful reunification through dialogue. Kim continued that the North will make its efforts to facilitate the economic and Red Cross talks and also the North-South summit.

Both sides should narrow down their differences, seek common grounds, ease tension and adopt a proper attitude, toward the talks between them so as to reunify the country as soon as possible, Kim added. Referring to the international situation, Kim said that his country hoped the Soviet-U.S. Geneva summit would play a positive role in prevention of nuclear war and in safeguarding world peace. He called on the Korean people to step up struggle for a U.S. troop withdrawal from South Korea and to turn the Korean peninsula into a nuclear-free zone. Korea will strengthen co-operation with socialist countries, non-aligned countries to defend world peace, he said.

NODONG SINMUN EDITORIAL ON REUNIFICATION REVIEWED

OW021102 Beijing XINHUA in English 1042 GMT 2 Jan 86

[Text] Pyongyang, January 2 (XINHUA) -- The Korean newspaper NODONG SINMUN today said in an editorial that the North side will renew its efforts this year to make the economic and Red Cross talks with the South side successful with the aim of holding early dialogues between the parliaments of the two sides in preparation for a summit. The editorial said that it is imperative for the North and South of Korea to work for an early national reunification. It said the two sides should ease tensions between them by agreeing not to launch hostile military actions.

The editorial urged the United States to abandon its "two Koreas" policy and to respond to the 1984 proposal for tripartite talks put forth by the North side. This will be "a good thing" for the United States, it said.

The editorial also said that while making unremitting efforts for the national reunification, the North side will attach importance to the development of its core industries and railway transport in the economic construction this year. It exhorted scientists to play a bigger role in the technological revolution.

DELEGATION REPORTS ON KOREAN EDUCATIONAL SUCCESS

HK020813 Beijing RENMIN RIBAO in Chinese 24 Dec 85 p 6

["Newsletter From Korea" by reporter Bai Yun: "Korea, a Country of Study"]

[Excerpts] Our RENMIN RIBAO delegation visited the Exhibition Hall of Korean Accomplishments in Socialist Construction the day after we arrived in Korea for a visit. One figure mentioned there is very interesting: At present, the contingent of Korean technicians and specialists numbers 1.25 million. This accounts for more than 6 percent of the total population. This is really a wonderful achievement! This is especially true since in the past one-fourth of the population to Korea was illiterate.

How was such a splendid accomplishment achieved? According to what our Korean comrades told us, apart from developing regular full-time education, realizing the 11-year compulsory education plan, a part-time educational system has been set up for workers to enable them to work and to study. It is precisely this educational system of work and study that has played an outstanding role in the course of turning the whole society into intellectuals.

Under the concern of President Kim Il-song, the Korean Workers Party and government take creating study conditions for the workers into overall consideration. We were deeply impressed when we visited the People's Study Center in Pyongyang. Leaving the magnificent People's Study Center in Pyongyang, we were deeply inspired by the enthusiasm of the Korean people in studying. Korea is worthy of being called a country of study.

PRC, JAPAN AMITY GROUPS EXCHANGE NEW YEAR WISHES

OW311757 Beijing XINHUA in English 1646 GMT 31 Dec 85

[Text] Beijing, December 31 (XINHUA) -- China and Japan on New Year's Eve exchanged wishes for better relations in 1986. The 21st Century Committee for Japan-China Friendship said in its new year message that to make relations between the two countries still firmer throughout the 21st century, it is imperative for both Japan and China to make unremitting efforts in line with the spirit of the joint statement of the two governments signed in 1972, the Japan-China peace and friendship treaty signed in 1978 and the four guiding principles for Sino-Japanese relations -- peace and friendship, equality and mutual benefit, mutual trust and long-term stability.

"The new year has come, and we are willing to further strengthen friendly ties and exchanges with you," the 21st Century Committee for China-Japan Friendship (the Chinese committee) said in its new year greetings to its Japanese counterpart. The Chinese committee stressed the need for both sides to act jointly to put forward practical proposals and do more in a down-to-earth manner for more consolidated relations.

BEIJING VIETNAMESE ON HOPES FOR FRIENDSHIP IN 1986

OW030818 Beijing in Vietnamese to Vietnam 1100 GMT 1 Jan 86

[text] Dear friends: The new year has come. Our Radio Beijing conveys to you and your families its new year greetings. We wish you happiness, joy, and success in everything. We believe that you will cheerfully accept our new year greetings because we all cherish life, a beautiful life.

The UN slogan "For a Better World" has received a warm response around the world, because a better world is inseparable from peace and development. The Chinese people know this from their own experience. Before the founding of New China in 1949, they had suffered from a century of wars and disasters -- imperialist wars of aggression, wars waged by the militarists, and civil wars imposed on the people by the reactionary government. For this reason, the Chinese people not only cherish the not-easy-to-win peace, but also understand the world people's desire and demand, especially the Vietnamese people's desire for peace.

In reality, during the past 36 years since the founding of New China, the Chinese Government and people have made unremitting efforts to strive for peace. The Chinese Government decided to cut 1 million troops from its Armed Forces in 1985. Once again, this is evidence of the Chinese people's determination to safeguard world peace.

The International Year of Peace sponsored by the United Nations is now beginning. More than ever before, we all are full of hope for a beautiful future. We are looking forward to the day when human resources will be used to build factories, hospitals and schools instead of tanks, guns, and nuclear weapons. We are looking forward to the day when humankind will no longer hear gunfire, when the young people of all nations will no longer go to the battlefield to kill each other, and when no foreign troops or military bases will exist in any other country or region. We also hope earnestly that the peoples of China and Vietnam will overcome all difficulties and obstacles to restore and develop their friendship. This is also indeed your hope.

We are optimistic about and confident in the future. If all countries and peace-loving peoples in the world, including the Chinese and Vietnamese, make tenacious efforts, a beautiful world without war will surely finally come to us.

RADIO BEIJING REVIEWS RELATIONS WITH PHILIPPINES

HK030337 Beijing International Service in Tagalog 1130 GMT 2 Jan 86

[Text] The past year has been a most meaningful year for both the People's Republic of China and the Republic of the Philippines. The past year also saw the celebration of the 10th anniversary of the establishment of diplomatic relations between the two countries. Radio Beijing went to Manila last June to interview Prime Minister Cesar Virata, acting Foreign Minister Pacifico Castro, former Philippine Ambassador to China Narciso Reyes, and the columnist Teodoro Valencia. All these gentlemen have made a large contribution to the maintenance of good relations between China and the Philippines. This is what Prime Minister Cesar Virata said:

[Begin Virata recording] Our relations have broadened, not just in trade and commerce, but also in the fields of culture, sports, and our association with the United Nations. We have long been friends and here in the Philippines there are many Chinese, because we are such close neighbors. We have had a good exchange of ideas and products, so we have much in common.

China is the largest country in Asia, we hope that peace and stability will reign in our region. This is what we Filipinos wish. [end recording]

On the occasion of the 10th anniversary of diplomatic relations between our two countries, we spoke to Ambassador Narciso Reyes: [Begin Reyes recording] The first Philippine ambassador to China was Ambassador Benjamin Romualdez, who is now our ambassador in Washington. I am the second ambassador to China. When talks were begun with former Foreign Minister Huang Hua, who was then Chinese ambassador to the United Nations, we still did not have diplomatic relations. Those were the first official talks between our two countries, and they went very well because China then seemed prepared to establish diplomatic relations with us. Therefore our talks were most fruitful. We felt we were dealing with old friends. So we first exchanged basketball teams, and then the first lady of the Philippines, Mrs Imelda Marcos, paid a visit to China. In 1975, President Marcos went to Beijing and signed the formal agreement. Ever since 1975, our relationship has been a very good one, with many cooperative exchanges in trade, science, and culture. In January of last year the first lady again visited Beijing, and I went along on that trip. We needed assistance at the time and we were not disappointed because China was very generous, especially with oil supplies as well as credit facilities. [end recording]

Mr Teodor Valencia was also part of the process related by Ambassador Reyes:

[Begin Valencia recording] When we went to Beijing in 1975, in truth we were not sure we would be able to sign a diplomatic agreement and become good friends; because, as you know, in those days most of the news here in the Philippines was that China was supporting our rebel groups who wanted to overthrow the government. However, we hoped that our visit to your country would result in some changes, but we never dreamed that after signing such an agreement the past would be erased and a good future would be before us. It was like an automobile which, on starting, already has 75 miles registered on its speedometer. [end recording]

We also interviewed acting Foreign Minister Pacifico Castro. These are his comments about the relations between the two countries:

[Begin Castro recording] President Marcos and the first lady and the majority of the Filipino people wish always to remain friends with China. China is the largest country in the world and because we are only a small nation, we wish to strengthen the relations between us. The situation in Southeast Asia, as well as in the rest of the world, will not improve if China is not included in all attempts to maintain stability, peace, and prosperity. [end recording]

FURTHER REPORTAGE ON SIHANOUK VISIT TO PRC

Hosts Xu Jiatun in Hong Kong

HK020531 Beijing XINHUA Hong Kong Service in Chinese 1550 GMT 1 Jan 86

[Text] On the evening of 1 January, Prince Norodom Sihanouk, president of Democratic Kampuchea, and his wife Princess Monique gave a dinner for Xu Jiatun, director of the XINHUA Hong Kong branch.

Xu Jiatun called on Prince Sihanouk at the Mandarin Hotel and they wished each other "happy new year." The prince told Xu Jiatun that he was glad to spend New Years Day with the Chinese friends. At the banquet, the hosts and guests all expressed their best wishes to the PRC and to Democratic Kampuchea.

Prince Sihanouk said that he has had a good time in Hong Kong and he expressed his gratitude to the quarters concerned for their assistance. Then Prince Sihanouk entertained the guests with the French delicacies he had carefully selected. The banquet had a warm, friendly, and candid atmosphere.

Also attending the banquet were XINHUA Hong Kong branch Deputy Director Li Chuwen and his wife, and Ji Shaoxiang, acting chief of the Foreign Affairs Department of the XINHUA Hong Kong branch.

Arrives in Beijing

OW021606 Beijing XINHUA in English 1601 GMT 2 Jan 86

[Text] Beijing, January 2 (XINHUA) -- Samdech Norodom Sihanouk, president of Democratic Kampuchea, and his wife arrived here tonight after a visit to Hong Kong. Welcoming them at the airport was Chinese Vice Foreign Minister Qiu Shuqing.

Sihanouk and his party were seen off at the airport in Hong Kong by Director of the Hong Kong branch of XINHUA News Agency Xu Jiatus and Hong Kong-based diplomatic representatives of Singapore, Malaysia, Thailand, the Philippines and Indonesia.

JI PENGFEI REASSERTS POLICY ON HONG KONG

OW030512 Beijing BEIJING REVIEW in English 30 Dec 85 p 6

[Text] Before Chinese State Counsellor Ji Pengfei started for Shenzhen on December 22 after a short visit to Hong Kong, he expressed his confidence that China would be able to come up with a Basic Law for the projected Hong Kong Special Administrative Region (SAR) desirable to all the Chinese people, including Hong Kong compatriots, and that Hong Kong would maintain its stability and prosperity during the 12-year transition period before 1997 and become even more stable and prosperous afterwards.

Ji who is also director of the State Council's Hong Kong and Macao Affairs Office and chairman of the Basic Law Drafting Committee told a press conference the day before he left for home that the Basic Law would stipulate Hong Kong's future political system. "On this question, we have not formed a detailed concept or blueprint, nor have we any fixed preconception," Ji said. "In drafting the Basic Law we are going to canvass the opinions of the Hong Kong people in all walks of life."

A corner-stone in China's Hong Kong policy, he said, was the understanding that it was in the interest of all parties involved to maintain the prosperity and stability of Hong Kong as a modern city, free port and a financial and trade centre. Hong Kong, he pointed out, had extensive and close contacts with many parts of the world, and its political, economic and cultural relationship with mainland China has continued to grow.

According to Ji, four to five years are needed to draft the Basic Law of Hong Kong. "As the Basic Law will be drafted by the National People's Congress, the right to interpret and amend it will belong to the Congress and its Standing Committee," he said. The question of according the Hong Kong SAR certain rights to interpret the Basic Law in the course of its implementation will be studied and solved in the process of making the law, he added.

The state counsellor noted that the situation in Hong Kong over the last 12 months has been characterized by social stability, a growing economy and increased public confidence in the future. Generally speaking, he said, the implementation of the Sino-British Joint Declaration on the Question of Hong Kong had proceeded well since its signing a year ago.

He said he believed both China and Britain will continue to work in the spirit of friendship and cooperation on issues such as the continuation of Hong Kong's participation in the General Agreement on Tariffs and Trade, trade documents of Chinese residents in Hong Kong, and the dovetailing of Hong Kong's political reforms with the Basic Law.

A high degree of autonomy for Hong Kong will be guaranteed by two factors, according to Ji. First is the principle of "one country two systems," which is China's basic policy for reunifying the country. The second is the Basic Law, to be enacted by the National People's Congress, which will stipulate the Chinese government's principles and policies on Hong Kong contained in the Sino-British Joint Declaration. "All media and publishers can freely carry on with their work and activities after 1997, so long as they abide by and do not violate the local laws of the Hong Kong SAR," Ji said.

Commenting on Hong Kong's future changes, Ji referred to the Chinese saying, "The quintessence remains, no matter how things change." The quintessence of the Hong Kong issue, he said, was the unification of the motherland, and the stability and prosperity of Hong Kong.

"I don't think people will oppose to changes that facilitate the unification of the country and the stability and prosperity of Hong Kong," he said. "But we should avoid changes that would get in the way of the smooth transition of power and Hong Kong's return to the embrace of the motherland, and changes that tend to destabilize Hong Kong's social order and economy."

BANK OF CHINA ON HONG KONG ECONOMY IN 1986

OW020934 Beijing XINHUA in English 0847 GMT 2 Jan 86

[Text] Hong Kong, January 2 (XINHUA) -- Hong Kong's economy will grow despite increased obstacles from Western protectionism this year, the Bank of China said. A research report from the Hong Kong-Macao regional office of the bank estimated that Hong Kong's economic growth rate last year was 3.5 percent, considerably lower than 1984. This was due to the economic slowdown in the United States, Hong Kong's largest export market, the bank said.

The report predicted that moderate growth of the Western economies will lead to greater demand for Hong Kong products. It said that China's Seventh Five-Year Plan, which begins this year, will also generate greater demand for Hong Kong products. Additional demand this year will stem from the weakness of the Hong Kong dollar, which is tied to the U.S. dollar, according to the bank.

The report said Hong Kong will have to adjust its export program to the Chinese Mainland now that China is importing more industrial machinery and fewer consumer goods. Hong Kong's real estate market should be stable in the new year, following a boom in 1985, it said. Bank deposits are expected to rise as Southeast Asian countries continue to export capital to Hong Kong. But demand for loans will remain weak, the bank said.

AFGHAN RESISTANCE SPOKESMAN ON ISLAMIC ALLIANCE

OW021848 Beijing XINHUA in English 1836 GMT 2 Jan 86

[Text] Peshawar, Pakistan, January 2 (XINHUA) -- Closer unity among the Afghan freedom fighters will "help intensify the resistance to Soviet aggression in the new year of 1986, and will be the only guarantee for the liberation of Afghanistan," said a resistance leader here today.

Sayyed Gailani, new spokesman for the Islamic Alliance of Afghan Mujahidin (freedom fighters), which embraces seven major resistance organizations, was speaking at a press conference here. Gailani, president of the National Islamic Front, succeeded Gulbuddin Hekmatyar, leader of the Islamic party, as spokesman for the alliance following a meeting of its Supreme Council earlier today. The office of the spokesman, who acts as the provisional chief of the alliance, rotates in a three-month term among the alliance leaders. "Since the formation of the alliance," Gailani said, "steps have been taken one after another to improve the unity among various mujahidin groups politically and organizationally. These have contributed a lot to the successful and continued jihad (holy war) in Afghanistan."

The seven-party alliance sent a delegation to New York to attend the celebrations of the 40th anniversary of the United Nations in October 1985. The delegation raised the demand that the Kabul regime's member status in the U.N. should be replaced by the Afghan mujahidin. It will also send a delegation to the coming Islamic foreign ministers' conference in Morocco.

Observers here note that the normal functioning of the rotation system in the provisional leadership of the alliance shows that different Afghan resistance organisations can now treat each other as equal for the sake of their national interests.

The alliance came into being in May 1985. Shortly afterwards, the Soviet troops launched large-scale offensives in Afghanistan's eastern provinces of Kunar and Paktia. However, thanks to their close coordination, guerrilla forces belonging to different groups managed to foil the attacks. The establishment of the alliance has enhanced the morale of the Afghan guerrillas now entering the seventh year of their resistance. The casualties they inflicted on the Soviet-Karmal troops in 1985 were claimed to be equal to the total in the previous three years.

At the outset, the alliance was loosely organized. It had only a Supreme Council. Later, a Military Advisory Council was set up to help coordinate joint operations in the battlefields. Last month, a Central Advisory Council and six committees for political, information, culture, health, education and refugee affairs were formed to give advice to the Supreme Council. However, a permanent and strong central leadership is yet to be established. Due to the different institutions the tribes in Afghanistan have, it takes time to elect a president of the alliance who will represent all mujahidin groups.

DENG XIAOPING'S WORKS TO BE PUBLISHED IN ITALY

OW302012 Beijing XINHUA in English 1947 GMT 30 Dec 85

[Text] Rome, December 30 (XINHUA) -- An Italian version of "Selected Works of Deng Xiaoping" will be available to the public here next month, an event hailed as of "major political significance" by a high-ranking official of the Italian Communist Party.

Bruno Peloso, manager of the publishing house "L'Unita" of the Italian Communist Party, this morning presented five copies of the newly-printed edition to Chinese Ambassador Lin Zhong and asked him to forward them to Deng Xiaoping and the Central Committee of the Chinese Communist Party. Speaking at the book-presentation ceremony, held in the Chinese Embassy, Giglia Tedesco, member of the leading body of the Italian Communist Party, said that the publication of Deng's works in Italian will add another cornerstone to the edifice of friendship between the Italian and Chinese Communist Parties and the peoples of the two countries. "This is an event of major political significance in Italy," she added. Antonio Tato, Central Committee member of the Italian party, also made an elating speech.

Ambassador Lin Zhong expressed thanks to all those involved in the publishing work. He stressed that the event symbolizes further development of the friendly relations between the two parties, and will play a positive role in enhancing the understanding between the parties and peoples of the two countries.

The Italian version, entitled "Selected Works of Deng Xiaoping -- Socialism With Distinctive Chinese Features," contains 22 speeches and other statements Deng had made during the period 1977-1984. Among them 16 were chosen from the Chinese edition of "The Selected Works of Deng Xiaoping," and the other six are Deng's important speeches in 1984 that are not included in the Chinese edition.

BANK OF CHINA OPENS PARIS BRANCH 2 JANUARY

OW020924 Beijing XINHUA in English 0902 GMT 2 Jan 86

[Text] Paris, January 2, (XINHUA) -- The Paris branch of the Bank of China formally opened for business today on the Street of Lafayette in the business center of Paris. The branch was established to promote trade and economic cooperation between China and France. It will also provide services to Overseas Chinese and persons of Chinese origin in France and other West European countries.

Dong Sihai, general manager of the branch, told reporters in a recent reception that relations between the Chinese and international markets are improving day by day in the wake of the recent development of China's economy. China's economic restructuring and policy of opening to the outside world have promoted frequent financial contacts between China and abroad. The Paris branch was opened to keep pace with these new developments, Dong said. The Bank of China had only a representative office in Paris before the establishment of the branch.

The news was welcomed by Chinese living in France who consider the bank a convenience and a help in the promotion of Sino-French trade contacts. The Bank of China also has branches in London and Luxembourg.

NINGXIA PURSUING COOPERATION WITH SAUDIS, OTHERS

OW311412 Beijing XINHUA in English 1325 GMT 31 Dec 85

[Text] Yinchuan, December 31 (XINHUA) -- The Ningxia Hui Autonomous Region, inhabited by 1,320,000 Muslims, is strengthening economic and technical ties with Arab countries, a regional government official said today. Vice-Chairman of the regional government Yang Huiyun said Egyptian and Saudi Arabian banks had expressed interests in establishing financial institutes in Ningxia. And more than 10 import deals, worth more than 7,300,000 U.S. dollars, were signed at an autumn Islamic international co-operation conference held in this Ningxia regional capital. Under these contracts, advanced technology to help upgrade local industries such as textiles, will be imported from Arab countries.

Also signed were 12 contracts under which Ningxia will help Arab countries build factories and supply technology for tree-planting, grass-growing and sand control. For example, Ningxia will help Egypt to reclaim 1,760 hectares of wasteland, and Egypt will receive Chinese students and send teachers to Ningxia.

Yang said the region's total foreign exports since 1981 had earned 338 million yuan (about 106 million dollars at today's exchange rate), including 708 million dollars worth of foreign exchange. She said exchange visits between Ningxia and Arab countries had promoted mutual understanding.

During last April and May, Haji Hossain Hei Boli, chairman of the Ningxia regional government, paid a friendly visit to Saudi Arabia, and later a Saudi Arabian banker had visited Ningxia, even though there were no diplomatic relations between China and Saudi Arabia. Haji Hossain Hei Boli has been invited to visit Egypt next year for an agriculture inspection.

KUWAIT OBJECTS TO U.S. MOVE TO ISOLATE LIBYA

OW021930 Beijing XINHUA in English 1912 GMT 2 Jan 86

[Text] Kuwait, January 2 (XINHUA) -- A Kuwaiti Foreign Ministry official said today that Kuwait objected to the U.S. move to isolate Libya in retaliation for the twin attacks at the Rome and Vienna airports last Friday. Replying to a question by the KUWAIT NEWS AGENCY on the U.S. invitation to its allies to take part in imposing an international campaign to isolate Libya for the two terrorist acts, the official asserted that an act of terrorism does not justify a retaliatory international terrorism. Any new decision will not uproot terrorism but rather will spread more devastation, he added.

Kuwait was target of two terrorist operations last year, in which about one hundred people were killed and wounded. "Kuwait knows quite well the savageness of terrorist act in its indiscriminate killing of innocents and condemns it as a means to attain any goal no matter what justifications are tabled," the official said. He explained that the historic resolution on terrorism passed by the United Nations in its 40th session was the model of global cooperation in dealing with terrorism rather than retaliatory international terrorist moves. He stated that Kuwait, based on belief in Arab solidarity, considers the American threat against sisterly Libya "as a violation of international rules". He called on the whole world to study the roots of emergency of terrorism as a step to treat the phenomenon and stressed the importance of international security cooperation.

INTERVIEW WITH PUBLIC SECURITY MINISTER

OW030424 Beijing BEIJING REVIEW in English 30 Dec 85 p 15

[Text] China's new Minister of Public Security Yuan Chongwu answered questions on public order in a recent interview with BEIJING REVIEW correspondent Lu Yun and reporters from other Chinese publications. -- Ed.

Minister Yuan, 52, assumed his post last September. He was formerly the deputy mayor of Shanghai and deputy secretary of the Shanghai Municipal Committee of the Communist Party of China.

Question: Recently, some foreign press reports said that China has arrested some university students who took to the streets to commemorate the 40th anniversary of the victory of the War of Resistance Against Japan, and for various other reasons. Do you have any comment on this?

Yuan: During this period, we made no arrests of university students who paraded and rallied several months ago.

The Ministry of Public Security's duty is to maintain social order and public security to protect the lives and property of the people. When university students in Chengdu (Sichuan Province) rallied in the street, some bad elements took advantage of the situation, and pilfered and vandalized public property and insulted women. As this was an obvious violation of the law, they were held accountable either by the factories where they worked or by their neighbourhood committees; some serious offenders were fined or detained for a couple of days. But not one of them was an university student marcher.

In Beijing, on November 20, some persons disrupted public order at Tiananmen Square. They were reprimanded by the police and were afterwards taken back by their units.

According to the Beijing municipal security control regulation, no rally or parade at Tiananmen Square is allowed without the permission of the authorities concerned. As far as I know, many other countries also have similar laws and regulations. When some persons gathered peacefully at Tiananmen last time, the police did not force them to leave, but instead protected the safety of the participants. However, if some people disrupted public order, and the police did nothing about it, that would lead to anarchism.

Q: Some foreigners believe that China relies on its army and police to maintain its rule and the police exercise supervision over the people. What's your view on this?

Yuan: I think the Chinese police are most kind to their people. Unlike many other nations, they have never used batons, guns or tear-gas to suppress the masses, except during the "cultural revolution" when the gang of four directed them to use clubs on people.

In China, very few police carry guns while patrolling the streets. Regarding the police in charge of household registration, they have fostered close ties with the local residents. Working in co-operation with the masses is an important feature of China's public security work. In major cities, ordinary people can often be found wearing the symbolic red armband, and indication of aiding police officers to direct traffic during rush hour or helping to keep public order. In Shanghai, more than 400,000 retired workers currently help monitor order in the city.

The motto of China's police is "serve the people." Though they are low paid, they work very hard and often have to risk their lives fighting against crime. The most hard-working and honest police in the world, in my eyes, are the Chinese.

For offenders, of course, the people's police are a deterrent force. And so they should be, otherwise they would not be doing their job. At the same time, we are striving to remould and educate the convicted offenders in order to help them turn over a new leaf and support themselves by their own labour.

Q: It seems some police are not polite enough to the public.

Yuan: We have set strict rules for the police to follow and are currently in the process of updating the standards and education of the police force.

First, we have worked out a three-year programme for popularizing the legal code among the police to enable them to work strictly in accordance with the law. Preparations are being made to offer three-month courses for each police officer.

While performing their duties, the policemen are required to behave in a courteous manner. Strict discipline is enforced within the ranks of policemen. If a few of them violate the law and discipline, they shall be dealt with severely and no leniency shall be accorded them.

We are also trying to improve the method of street patrolling. For instance, in case something happens in the process of patrolling the police must follow a method, which is being gradually standardized as regards what to say and how to deal with the case in that particular circumstance.

Q: What has impressed you most since you became minister several months ago?

Yuan: These few months of work have taught me that public security work is by no means isolated. To have strong social order, there must be economic development, political stability and, above all, co-operation of the whole society. That is what we call "comprehensive treatment."

For example, with the vigorous development of the commodity economy in our country -- the result of the open policy and economic reforms introduced in recent years, there is a much faster flow of people and materials. This leaves more opportunities for robberies and more criminal cases occur in a commodity economic environment than under circumstances when a small-scale peasant economy and a natural economy were practised. Three years ago, Beijing had only a daily transient population of 300,000, but now there are 1 million. In 1984, the nation's railway passenger traffic volume reached 1 billion. Also, due to the imperfect management measures and poor circulation channels and an underdeveloped financial industry, there is an inordinate cash flow right now. The specialized households in the rural areas and individual industrial and commercial enterprises are not accustomed to depositing their money in the bank. Some even lock up as much as 10,000 yuan at home and, when going out for business, they carry cash. This also creates incentive for pickpockets and pilferers on the make. The settlement of these problems does not rely entirely on how hard the ministry works, but also on cooperation with other departments, such as the enterprises and banks, and indeed the whole society.

Q: How about the juvenile criminals today?

Yuan: The number of criminal cases involving young people is on the rise today. One of the reasons is that the corrupt ideas and pornographic video tapes and books creeping in through Hong Kong, Macao and other channels are poisoning the minds of our youth. The most effective way of preventing the young from corruptive activity is education.

In so doing, we need to have more vocational schools where middle school graduates, who have flunked their university entrance examination, could learn labour skills, such as carpentry or tailoring. Convicted law offenders should be sent to learn specialized skills and we should cultivate in them the habit of obtaining education through manual labour. Ideological work and moral education among the young is the most important. China should establish its own socialist moral standards for the young to follow from childhood.

Juvenile offence is a worldwide problem. Compared to many other countries, however, the situation in China is much better.

Q: How is the social order in the four special economic zones in Guangdong and Fujian provinces?

Yuan: These economic zones have adopted a more flexible policy than the hinterland in their economic activities, and they are more exposed to the unhealthy ideology of foreign countries. Compared to the hinterland, these zones are experiencing more petty crime. Yet the crime rate is still lower than that of Hong Kong and some of the developed countries. We are not excessively bothered by the comparatively high crime rate in the four special economic zones, as it is within our power to control it.

Q: Can the increase in the economic criminal cases and juvenile offences and the social order in the special economic zones be considered a result of the economic reform and the open policy?

Yuan: The ongoing economic reforms and the open policy have greatly boosted economic development and living standards in China. This is crystal clear to the Chinese and many foreigners have the same impression as well. During the transition, however, there are bound to be some old customs that do not quite mesh with the new. It will take time for them to adapt to the new situation. Problems that arise from the economic reforms are not that serious and they can be overcome easily.

China will not change the course of its economic reforms and the open policy because of these minor problems. The majority of the Chinese are greatly benefiting from the economic reforms and the open policy. Therefore, the new policy will continue to be followed.

Q: What progress do you believe China has made since criminal acts were severely dealt with in the latter half of 1983?

Yuan: An important aspect of the public security work is that the masses have a sense of security. Since 1983, the Chinese people are feeling safer, for various reasons. For one, the crime rate is dropping steadily. The crime rate in the 22 months since September 1983 has dropped by 36.4 percent compared to the corresponding period before September 1983.

We have also disbanded more than 130,000 criminal gangs that were posing a serious threat to society. Public order has much improved. Today, the average Chinese citizen is not as afraid to report a crime or suspect to the police as before. Since the latter half of 1983, more than 2.2 million clues to criminal activities have been reported to the local police, facilitating more than 150,000 arrests.

China has one of the lowest crime rates in the world. In 1984, the crime rate dropped to five out of every 10,000 persons in China.

Q: What is the prospect for the improvement of traffic problems in big cities?

Yuan: The police departments are doing their best to ease the situation. Because the number of motor vehicles in big cities far outweigh the number of new roads built in the last three decades, traffic congestion is serious. The fundamental solution is the construction of more roads in both the urban and rural areas.

Q: What precautions have been taken to prevent hijack terrorism in China?

Yuan: Like all the other countries in the world, China is most concerned about air piracy and will punish hijackers severely. China has been a contracting party to international conventions concerned.

In combating hijacking, we have called for co-ordinated efforts between various departments. We have taken measures such as demanding the necessary documents from ticket buyers, luggage checks before the passengers board the planes and various on-board safety measures.

Q: How do you plan to further improve the work of the public security ministry?

Yuan: Reform of the public security work is being conducted with political and economic progress. This includes the enactment of laws and regulations. For example, a month ago, we put into effect a law simplifying the procedures of foreigners and Chinese coming in and out of China.

Q: Do you have any contact with the police authorities in Hong Kong?

Yuan: The Guangdong Provincial Police Department has been in contact with the police authorities in Hong Kong for years. They often meet at borders to exchange leads to criminal activities and their efforts have been well paid. Police from both sides have visited each other this year.

Q: What kind of relationship does the Chinese public security department have with the international police organizations?

Yuan: We joined the International Police Federation (IPF) last year, and Zhu Entao, deputy director of the International Cooperation Department of the Ministry of Public Security, was elected an executive committee member of that organization. So far, China has established cooperative relationship with 62 members of the IPF and has a radio station from where international information can be received or sent out. We have also built bilateral ties with some foreign counterparts.

Q: How often have you gotten down to the grass-roots level since you became the minister of public security?

Yuan: Currently, I'm working to familiarize myself with my work and the situation. I have already been to various departments, colleges and units directly under the ministry, the Beijing Public Security Bureau and the subbureaus in most of the districts and counties of Beijing. I have also visited the public security units in Heilongjiang Province.

Q: What is your background that brings you into this job?

Yuan: In 1957, I graduated from the Moscow Automobile Machinery Institute and returned to work at the Casting Research Institute under the First Ministry of Machine-Building in Shenyang, northeast China. In 1962, I was transferred to be deputy director of the Shanghai Material Research Institute under the First Ministry of Machine-Building.

In 1971, I was made deputy secretary-general of the Shanghai Science Association. Later, I worked as the science and technology counsellor at the Chinese Embassy in the Federal Republic of Germany. In 1983, I was elected deputy mayor of Shanghai by the Shanghai Municipal People's Congress and put in charge of city planning.

In September this year, I was appointed Minister of Public Security at the 12th Session of the 6th National People's Congress Standing Committee.

ZHONGGUO FAZHI BAO DISCUSSES FREEDOM OF SPEECH

HK020751 Beijing ZHONGGUO FAZHI BAO in Chinese 16 Dec 85 p 3

[Article by Tong Jianming: "A Demarcation Line Between 'Ordinary Talk' and 'Criminal Talk'"]

[Text] Freedom of speech is not an absolute freedom, without any restriction whatever. All citizens should follow the principle of the unity between rights and obligations. They enjoy the freedom to express their own ideas and views under the precondition that the state policies and laws are not violated, which is common sense. The overwhelming majority of people in China can correctly exercise freedom of speech, a basic right endowed by the Constitution. However, a small number of people have distorted "freedom of speech" as permission to disregard the law, to air what is in one's mind at will, and have hoisted the banner of "not blaming the speaker" to oppose "punishment for speech." Such a view has bewildered many people, some teenagers in particular, who have failed to draw a demarcation line between general talk and criminal talk.

Some comrades say it is conduct, not ideology, that China's penal code punishes; speech belongs to the category of ideology, which should not be punished by the penal code. True, punishing conduct alone is an important characteristic of China's socialist penal code. But does speech only belong to the category of ideology? The writer does not quite agree with this view. Despite the fact that a speech may be governed by ideology, it is the revelation and external expression of ideas, has independent social significance, and is capable of creating certain social effects, while pure ideology is internal, which does not produce any social effects. Speeches and ideas do not belong to the same phenomenon. The conduct referred to in the penal code means various activities affected and governed by ideas that have brought certain injury to society, which include not only the external actions of the four limbs of the human body, but the action of the mouth as well, and even includes refraining from particular action. Speech is action of the mouth governed by ideas and is capable of producing certain social effects. When one's speech is formed into written language, it is given expression by the external action of the hand. Therefore, speech belongs to the category of conduct. So-called freedom of speech, is actually the freedom of speech as a particular form of conduct.

Some people rely upon the maxim "not blaming the speaker" for opposing the punishment for speech. Actually, "not blaming the speaker" is only a principle of our political life, in order to encourage people to take an active part in airing their views on state affairs and to speak their minds freely. However, it does not mean that speech injuring the interests of the state and the people should go unpunished as a crime. The Constitution stipulates that a citizen has freedom of speech and publication; at the same time, it stipulates that "it is forbidden to insult, to slander, and to trump up a charge against a citizen by whatever means." Any citizen should exercise all the freedoms and rights given him by the law within the realm of the Constitution and the law.

If one ignores the law and voices views that endanger the interests of the state and people, this violates the criminal law and must be punished according to the law. Therefore, from the angle of the law, it is not practical nor feasible to let such "speakers" go "unpunished." At the Second Session of the Fifth NPC, when explaining the penal code concerning the stipulation on the offence of insulting and slandering, Comrade Peng Zhen pointed out. "The state will not allow the suppression of criticism and democracy under the pretext of this stipulation; neither will it allow slandering and insulting others under the pretext of democracy."

People can be punished for speaking; however, not all speech is criminal. China's penal code provides that only speech of a certain specific nature can constitute crime. Then, how do we draw a demarcation line between ordinary talk and criminal talk? We may look for the demarcation line through the basic characteristics of the offence.

First, as criminal talk, it must have been injurious to society. Such harm to society is expressed as sabotage of the ruling order of the proletariat and injuring the interests of the state and the people. For example, "speech openly insulting or slandering others with fabrication" is a violation of the personality and reputation of the citizen according to Article No 145 in China's penal code; and speech of "counterrevolutionary propaganda and instigation" referred to in Article No 102 in the penal code is conduct endangering the political power of the proletarian dictatorship and the socialist system. If certain talk does not involve any danger or injury to the interests of the socialist country, it does not constitute a crime. For example, criticism and self-criticism among the people, citizens criticisms and proposals regarding some systems, policies, some specific people and things belong to the realm of freedom of speech, which is protected by the Constitution. This kind of talk does not injure society; on the contrary it is helpful to it, bringing forward democracy, as well as helping the party and the government in continuously improving their work. Therefore, it cannot be regarded as criminal.

Second, speech injuring the society must be in violation of the penal code, and only under this condition can it be regarded as a criminal act. Such speech must fulfil two conditions: 1) The criminal talk must be in the categories explicitly stipulated in the penal code as forbidden. According to the stipulations of China's penal code, any of the following will constitute a crime: speeches "instigating others to commit a crime," "plotting a revolt or rebellion," "Counterrevolutionary propaganda and instigation," "frame-ups," "false witness," and "teaching others criminal ways." Apart from those types of speech explicitly stipulated in the penal code, speech with other contents should not constitute a crime. 2) The speeches stipulated in the penal code must be those involving crimes. Such crimes generally give expression to direct motive, such as counterrevolutionary speech, and the person having committed it must have a counterrevolutionary motive. Regarding the making of a false charge, the person who has done so must have a motive in framing an innocent person, causing the latter to suffer penal punishment.

And finally, speeches injuring society are criminal only when they are serious enough to merit penal punishment. Article No 10 of the penal code stipulates: "Those minor cases with slight injuries should not be regarded as criminal."

The sub-provisions in the penal code concerning speech have also given expression to this characteristic. For example, speech "insulting and slandering others" must be serious enough to constitute a crime. Some speech in itself is gravely injurious to society. For example, speech instigating revolt and rebellion, and teaching criminal ways. Those speaking thus deserve penal punishment for the injuries done to society. Although some talk has certainly injured the society, it does not constitute a crime, because it is not so serious as to deserve penal punishment.

To sum up, only that speech simultaneously conforming to the above-mentioned three cardinal characteristics of crime is criminal talk under China's penal code. Therefore, under the prerequisite of observing the prohibitions of the law, all citizens enjoy freedom of speech in all forms (of course, such freedom will still be restricted by discipline and morality.) Freedom of speech and the stipulations on criminal talk are not contradictory to each other; on the contrary, when only speech that seriously injures the interests of the state and the people is defined as criminal, it is possible to ensure the genuine freedom of speech of the overwhelming majority.

OFFICIALS SPEAK AT GUANGMING RIBAO PUBLISHING FORUM

Xu Liyi Speech

HK030618 Beijing GUANGMING RIBAO in Chinese 20 Dec 85 p 2

[Speech by Xu Liyi, director of the Publication Bureau under the CPC Central Committee's Propaganda Department, at GUANGMING RIBAO-sponsored publication and distribution work symposium: "It Is Imperative To Adhere to the Socialist Principle of Publication"]

[Text] Publishing is an important aspect of the effort to build spiritual civilization. The publication of reading matter that benefits socialist society and the people plays a role not to be overlooked in stimulating modernization, raising the people's scientific and cultural levels, and cultivating a lofty sense of values in people.

Since the 3d Plenary Session of the 11th CPC Central Committee, many good and weighty works have been published, producing a great enlightening effect on readers. A highly beneficial role has also been played in passing on scientific news and promoting academic studies. These achievements are inseparable from energetic support from economic construction sectors, including communications, and posts and telecommunications. From 1978 to 1985, output of newsprint nearly doubled. The quality of paper also showed a great improvement. Production of printing materials, such as ink, registered a marked improvement. Many varieties reached or approached international levels. Great achievements have also been scored in the manufacture of printing machinery and the study of modern photosetting technology. Things would be difficult for the distribution and transportation of publications in large quantities without the support of railroad and communications departments. Thanks are indeed due to the comrades of these departments.

There are now still many problems involving publishing departments. A very small number of publishing houses and magazine publishers, in particular, have not properly carried out the socialist guideline for publication, turning out lots of reading matter appealing to low tastes and even reading matter harmful to youths and adolescents. Some time ago, there was a rash of new and old versions of novels on the chivalry and prowess of ancient swordsmen. Their publication has now been stopped. But these works are still on the market. In addition, a quite considerably supply of low-class works on romance and detective stories has surfaced. Tabloids and some periodicals have vied with each other to reproduce them. This is also quite a noteworthy problem. From time immemorial, works featuring swordsmen and myths have existed. This is especially true of literary sketches of the Ming and Qing Dynasties. There has been no lack of themes of this kind. Works of this kind are indeed written relatively well, both ancient and contemporary versions. It is not entirely impossible to select some of them for publication in a controlled manner.

But such a great profusion of this stuff appearing on the scene has produced a very bad influence on society. Some time ago, certain people highly praised such reading matter without making an analysis. This is wrong. It is keenly hoped that commentators, writers, and well-informed people will comment on these works, steering readers toward a correct approach.

Our publishers are charged with a sacred mission. First, we should publish works capable of raising people's scientific and cultural levels and enriching their knowledge and works capable of raising people's political consciousness and encouraging them to bravely plunge into the socialist modernization effort. We should give publicity to communism and patriotism and pass on those publications that show scientific creativity, artistry, and vitality where literary art is concerned. Our paper and printing resources are limited. Social purchasing power for books also has limitations. We cannot freely draw on social material strength guiding the readers in another direction. Ours is a socialist country. Our main purpose is to serve socialism and serve the people. Therefore, simultaneously with the strengthening of administrative management, we must especially stress ideological education among publishing workers. We must call on everyone to strengthen their sense of responsibility toward society. Still stricter demands should be imposed on the chief editors of publishing houses.

Certain well-established publishing houses with their austere publications are examples to publishing units. True to the guideline for publication, they have never become involved with the publication of unwholesome works of any kind. The editors of these publishing houses work hard and are thorough in investigation and study. They organize and encourage competent people to select material, publishing things wholesome to readers. They deserve our praise.

Books and magazines sold on the market are of course a kind of commodity. Such a commodity must also be paid for. But unlike other commodities, these are products for the mind. Such products do not allow the one-sided pursuit of profit. The only criterion for the publication of a work is its social impact. Indeed, certain difficulties and problems still exist in publishing and relevant operations. They must also be properly taken care of in reform.

Zhang Huiqing Speech

HK030926 Beijing GUANGMING RIBAO in Chinese 20 Dec 85 p 2

[Speech by Zhang Huiqing, editor-in-chief of the People's Publishing House, at a publication and distribution work symposium sponsored by GUANGMING RIBAO: "Supply the People With the Best Spiritual Food"]

[Text] Books and magazines are the major media spreading ideology, culture, science, and nourishment for the minds of the broad masses. Intellectual products are noted for their direct influence on people's minds. Good works of literature and art can inspire people to make progress, whereas bad ones make them dispirited and degenerate. For this reason, publishing houses should do their utmost to supply the people with the best spiritual food. This is our sacred duty. In line with a series of instructions on intensifying publishing work made by the State Council, over the past few years the People's Publishing House has published a large number of readable classics and political theoretical books by using an immense amount of labor force and material and financial resources. Our publishing house should better fulfill the tasks of publishing books assigned by the party and state and should publish more valuable academic works and books on technical information that are good for the people.

However, ours is a unit that assumes sole responsibility for its profits or losses by adopting the system of business accounting. Therefore, we often face the problem of social effects contradicting economic returns. This requires us to take a correct attitude toward the guiding ideology of business and to implement the basic principle governing publishing work for serving the people and socialism.

Affected by some bad factors in social conduct, over the past few years, publishing houses, which were long regarded as profitless units, have suddenly become what are described as "treasure chests." New publishing houses have sprung up like mushrooms and there has been a shocking increase in the amount of various kinds of books and publications. As a result, publishing houses have scrambled to get printing machines and paper. They edit and publish publications in a rough and slipshod way just for money. Especially in the second half of last year, some publishing houses duplicated many novels on the chivalry and prowess of modern swordsmen as well as street-corner tabloids and magazines that have bad contents. This gravely impaired publication of serious books and had a bad influence on readers.

The crux of the problem is that some publishing houses only focus on money. They forget our ideological and political principles at the sight of profits and go against our party's consistent guideline for publishing work. We are publishing houses of a socialist state. In our publishing work, we should first consider what influence our publications will produce on the minds of the readers. Although we also conduct business accounting and bear responsibility for our profits and losses, we must soberly realize that books are not ordinary commodities. They have their own special characteristics, and they can directly influence people's thoughts and feelings and influence their world outlook. This influence of books is enormous.

Of course, some problems in our publishing work are also related to objective conditions. For example, there are long-standing difficulties in people being able to publish, sell, and buy books. This reflects various drawbacks of the unreasonable system in publishing for many years. These problems should be solved through reforms. Various relationships in publishing should be rationalized, and management over publishing should be strengthened so as to overcome the serious disarray in the editing, printing, and distribution of books. The authorities concerned should take measures to coordinate all parties concerned so as to overcome actual difficulties.

RENMIN RIBAO EDITORIAL ON REFORM OF RURAL ECONOMY

HK021016 Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 31 Dec 85 p 2

[Editorial: "Deepen Reform To Stimulate the Steady and Harmonious Development of the Rural Economy"]

[Text] This is the first year the countryside has been in the second stage of reform. The recent national rural work conference analyzed current trends, unified thinking, and approved the rural work assignments and work guidelines for next year. This will greatly stimulate upholding reform, deepening reform, and enlivening the rural commodity economy. At present, the situation in the countryside is very favorable. One important indication of this is that, since the start of the reform of the system of setting purchase quotas in a unified manner, the rural economy has become more lively. Peasants have acquired even greater decision-making power. Enthusiasm for production and money-making efforts has continuously grown. Obvious results have been achieved in readjusting the agricultural structure in the countryside. Various industries have helped promote each other economically. The establishment of extensive contacts has been strengthened. The rural economy has taken a big step forward toward a diversified economy and coordinated development.

With an unprecedentedly lively diversified economy, peasants' per capita income has continuously risen. The entire rural economy is maintaining the momentum of vigorous growth. Experience gained over just 1 year fully shows that the decision on the second stage of the rural reform is entirely correct. In checking the rural situation, we must look at both grain and the rural economy as a whole. We must look at both the immediate and the long term. Reform has carved out a new path for development. This is a particularly valued achievement.

We must fully affirm the achievements scored and strengthen people's confidence in upholding reform. We cannot shrink from problems encountered in our advance. We must make a concrete analysis and solve the problems one by one. It should be noted that the tasks facing us are still very arduous. With the introduction of the second stage of the reform, the rural economy has begun to switch over from big increases in a particular year to a new stage of steady growth and coordinated development. The urban reform and the rural reform are beginning to converge. New contradictions have increased with an increase in favorable conditions. Especially with the deepening of reform in the area of circulation, the need to gradually establish and operate the new mechanism of macrocontrol and microinvolvement with efforts to enliven things, and the continuing influence of existing mechanisms, the regulation of the interest relations of various fields is made more complicated. Various disharmonious phenomena still exist in large numbers. The rural economy also has factors causing imbalance and instability. These are problems we will inevitably run into during the reform. We must not make a great fuss about them, but neither should we take them lightly and do things haphazardly. Even less should we be hesitant, overcautious, or even resigned to retracing the old paths because of them. Concerning problems encountered in the reform, we must rely on upholding reform and deepening reform to seek solutions. We must remain firm and unwavering.

The main demand for rural work in 1986 is that we must firmly implement various policies, continuously deepen reform, strive to improve production conditions, properly handle various tasks related to organization and coordination focusing on services, and stimulate the sustained and steady development of the rural economy, the deepening of reform, and the development of production. We are also called upon to handle various tasks in a more down-to-earth, penetrating, and conscientious manner. In reform, we must combine both destruction and construction. Only in this way can we advance. Leadership organs at various levels must resolve to direct their main energies toward consolidating the results of reform already achieved. They must keep what is good and remove what is bad and solve outstanding problems. This enables reform to produce still better results. Policies and measures that have not been firmly carried out must be firmly implemented. Those not perfect must be made perfect. Those not linked must be linked. This is so we can pave the way and conserve strength for taking new steps in the reform ahead.

To deepen reform in the area of circulation and perfect the system of contracting for purchases is a focus of rural work next year. Replacing planned state purchases and fixed purchase quotas with purchases on a contract basis is a major historical breakthrough in the reform of the rural economy. But due to the lack of experience on our part from top to bottom and inadequate ideological preparations, we can hardly reconcile our work habits and work methods to this at once. We must quickly sum up experiences and lessons and strive to do a good job in next year's work. In introducing contracts for purchases, various relevant economic departments assuming important responsibilities must proceed with general interests in mind and find new paths by concentrating on the use of economic means.

Before the straightening out of the pricing system, they can flexibly adopt various stopgap measures to stimulate the enthusiasm of producers and the development of activities in the area of circulation and exchange, ensuring that peasants with a greater output of commodity grain and other agricultural products to their credit can receive more actual benefits. So long as we continue developing the spirit of reform and show courage in reform we can surely gradually work out methods for making purchases on a contract basis that are welcomed by the masses and conducive to production.

To enable agricultural production and the rural economy to maintain adequate reserves of strength for development, we must increase material input, change production conditions, and carry out technological transformation. This must be treated as an important problem not to be overlooked. It should be brought to the attention of the leadership at various levels and the masses of peasants. Historical experiences show that increased material input is an indispensable factor in rural economic growth. Since the 3d Plenary Session of the 11th CPC Central Committee, the rural economy has continuously shown rapid growth. The household responsibility system of linking remuneration to output universally introduced has produced a decisive effect. However, we can in no way deny another fact: Such growth is also a result of the accumulated production potential developed over many years of agricultural capital construction and technological transformation being tapped in a short period of time and a result of continuously increased new material input from peasants. The idea of "increasing production without increasing material input" is one-sided. If people do not think for the distance, they may have trouble close at hand, as a Chinese saying goes. If we do not start now to pay attention to strengthening agricultural capital construction and agricultural technological transformation, the rural economy will have no way of switching over to a new material base and will hardly be able to maintain the momentum of steady growth. We should have strategic foresight where this problem of paramount importance is concerned. Various areas must try by various means to raise funds and increase material input. They must persist in improving production conditions and carrying out technological transformation to improve rural labor productivity. They must pay close attention to restoring and repairing existing farmland irrigation systems and other basic facilities. They must also build new basic industrial facilities and basic facilities for the circulation of commodities. What is more important, they must make a point of increasing investment to train talented people and strive to raise the level of science and technology and the level of management on the part of peasants. This will lay a good foundation for the realization of agricultural modernization. Input from the state (including the central and local authorities) is indispensable. The state must be relied upon to harness big rivers and streams and to build key projects. Meanwhile, attention must be paid to encouraging peasants to accumulate funds on their own. As far as this is concerned, we have already carved out a bright, broad path with Chinese characteristics. We must actively develop a diversified economy and develop town and township enterprises. This will provide peasants with more employment opportunities, improve agriculture and the peasants' income in a relatively quick way, and increase the source of funds for accumulation. Experience in the past few years has pointed to encouraging results. In the future, we must continue following this path firmly and unswervingly.

We must gradually improve the system of cooperation with household operations as the base and services as the center, and establish various organizations related to combination and cooperation to provide peasants with social services in many fields. This is an objective demand of the development of the rural economy at a given stage in switching to specialization and commercialization. With local characteristics in mind, various areas must tackle this important matter well. The leadership at all levels and various departments must show deep support for the countryside and provide various services.

They should also realistically respect the masses' pioneering spirit and encourage peasants to adopt various methods based on their own habits and needs to carry out cooperation and combination and develop the service trade. Forming a service system and perfecting a system of cooperation are objective processes of economic development. We cannot passively wait or be overly patient. We should instead provide proper guidance in line with the needs of economic development and the will of the masses.

How should we bring ideological and political work in line with the new situation of the rural reform? This is a new theme that must be seriously studied. The leadership at all levels must do ideological and political work in a penetrating, conscious, and lively manner, doing so in light of new conditions in the countryside and with an eye to rural reform and economic construction. They must seriously uphold the spirit of the notices of the Central Committee for Guiding Party Rectification in properly handling rural party rectification work. They must stimulate simultaneous development in building spiritual civilization and material civilization.

Next year is the first year of the Seventh 5-Year Plan. The steady and harmonious development of the rural economy has an effect of decisive significance on the national economy as a whole and on realizing the great goals of national economic development by the end of the century. It is hoped that the masses of peasants, the leadership at all levels, and various departments concerned will act in close cooperation in the new year and strive to achieve new victories in carrying out rural reforms and revitalizing the rural economy.

CPC, STATE COUNCIL HOLD RURAL WORK CONFERENCE

OW310543 Beijing XINHUA Domestic Service in Chinese 0838 GMT 30 Dec 85

[By reporters Huang Zhenggen and Ji Bin]

[Text] Beijing, 30 Dec (XINHUA) -- A central rural work conference called by the CPC Central Committee and the State Council has fully confirmed the achievements in rural reform this year and put forward the demands for rural work in general in 1986. They are: steadfastly carry out the strategic principle of taking agriculture as the foundation of the national economy; further implement the various rural policies formulated by the party Central Committee; continue to make in-depth reforms in rural areas; improve the conditions for agricultural production; organize pre- and post-production services; and promote a steady, sustained, and balanced development of the rural economy.

The conference was held in Beijing from 5 to 21 December. Comrades participating in the conference gave reports on the new achievements and exchanged new experience in implementing the central authorities' 1985 Document No 1 and carrying out the rural reform, penetratingly analyzed and studied the new situation and new problems emerging in the ongoing rural reform and rural economic development, and explored new measures and methods for deepening the rural reform. Then, based on the requirements of the comprehensive reform of the national economy, the conference participants made suggestions for the rural work in the coming year.

During the conference, the Political Bureau and the Secretariat of the CPC Central Committee heard reports and examined documents on the conference on two separate occasions.

Zhao Ziyang, Standing Committee member of the Political Bureau of the CPC Central Committee and State Council premier; Wan Li, member of the Political Bureau and the Secretariat of the CPC Central Committee and vice premier of the State Council; Tian Jiyun, member of the Political Bureau and the Secretariat of the CPC Central Committee and vice premier of the State Council; Qiao Shi, member of the Political Bureau and the Secretariat of the CPC Central Committee; and Yao Yilin, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council met responsible comrades in charge of agricultural work from all provinces, municipalities, and autonomous regions and central departments concerned, who were attending the conference in Zhongnanhai on 18 December. After hearing briefings on the conference, Comrade Zhao Ziyang made an important speech on the current situation and improvement of the rural reform.

Hu Qili, member of the Political Bureau and the Secretariat of the CPC Central Committee, presided over the first plenary session of the conference on 6 December. During the session, Comrade Wan Li made an important speech, titled "Analyze Experience, Persist in Making Reforms."

Comrade Wan Li presided over a plenary session on 12 December, during which Comrade Tian Jiyun made a report, titled "Develop the Results Achieved in the Reform, Promote the Commodity Economy."

Imbued with confidence, the conference reported to the people across the country that after successfully introducing the contracted responsibility system with remuneration linked to output as the first step in the rural reform, China has taken another major step and scored great achievements in reforming unified or fixed state purchases of agricultural produce and restructuring the rural industrial set-ups this year. Major indicators of the achievements are: The rural economy has been invigorated, commodity circulation channels have increased, coordination between various sectors of the commodity economy has intensified, the peasants have raised their enthusiasm in carrying out production according to market needs, and China's rural economy has embarked on a road of developing the commodity economy in a planned manner.

As a result of restructuring the rural industrial set-ups, such weak links as forestry, animal husbandry, fishery, the processing industry, and service trades have been strengthened, and China's countryside is advancing along a path of comprehensive management and coordinated development. Although many areas were hit by serious natural disasters this year, the country's total grain output will approach the level of 1983. Aside from cotton, whose output has been reduced according to plan, the output of most crops has increased. The output of cash crops has increased by big margins. The gross social output in rural areas and the peasants' income have also increased. Such a thriving trend would definitely not exist had the reform of state unified and fixed purchases not been carried out this year to adapt the production to market demands, and had the industrial set-ups not been readjusted according to the actual conditions in a given area.

After analyzing the situation in grain and cotton production throughout the country this year, the conference pointed out: Despite the planned reduction in grain- and cotton-growing acreages, cotton output has still surpassed demand. Grain output is expected to be tens of billion jin less than that of last year because of three things: first, serious natural disasters, which were unavoidable; second, reduction of grain-growing acreage resulting from crop redistribution to promote forestry, animal husbandry, and fishery, which is reasonable; and third, problems existing in the work. In viewing the rural situation, we should not just base it on grain production, and in judging grain production, we should not assess it simply on a year's output.

As agricultural production is restricted by natural conditions, it is difficult to increase output year after year. China has reaped record harvests for 6 successive years, with an average annual increase of 34 billion jin in grain output. In view of the sufficient grain in stock in state and peasants' storage and the stable market grain price, we are entirely capable of ensuring market demands. It merits our attention that in some localities the peasants' enthusiasm in growing grain has declined primarily because with the development of commodity production there are more opportunities for engaging in industrial and sideline production, which can yield far greater income. Price hikes in the means of production are another reason. In order to stimulate the peasants' enthusiasm in growing grain, the system of contract grain purchase will be perfected, and measures will be taken to readjust the economic interests between growing grain and engaging in other industries and to improve circulation.

The conference stressed: The basic principle for guiding agricultural production should be "never relaxing the effort at grain production and actively developing a diversified economy." In the course of restructuring the industrial set-ups, it is necessary to handle correctly the relationship between grain production and development of a diversified economy. Grain is an indispensable product with a vital bearing on the national economy and the people's livelihood, and it is necessary to ensure grain production. Grain is also a low-profit commodity, and the peasants have to rely on diversified undertakings to supplement their income. Therefore, it is necessary to consider both grain production and development of a diversified economy, closely coordinate them, and supplement them with each other. Paying close attention to grain production does not mean that we may neglect the development of a diversified economy, including forestry, animal husbandry, fishery, and growing of cash crops, and that we may return to the beaten track of engaging in grain production alone. Practice has proved that returning to the beaten track cannot help us reach the goal of increasing grain production quicker, but can only create economic stagnation in rural areas. Owing to the development of diversified economy, including growing cash crops and developing forestry, animal husbandry, fishery, construction, transport, and other industries, as well as service trades, in rural areas over the past few years, the growth rate of grain output has accelerated, and the rural economy has flourished in all fields. It is necessary to take a firm grip of grain production, but not at the expense of a diversified economy.

The relationship between "no prosperity without industry" and "no stability without agriculture" was a subject of the conference. The conference pointed out: Developing village and town enterprises is the only way to invigorate China's rural economy. Up to now, village and town enterprises throughout the country have absorbed a total of 60 million of the rural labor forces, and will produce 230 billion yuan in output value this year. They play an important role in the national economy. Facts have proven that village and town enterprises are of immense economic and political significance in having effectively solved, with their great vitality, problems of surplus labor forces, limited arable land, and shortage of funds in rural areas. In view of the actual conditions in China, agriculture and rural industry should be developed in a coordinated manner. We should neither promote industry at the expense of agriculture, nor do the reverse. Without developing the rural industry, it will be impossible to find employment for surplus labor forces and to supplement agriculture with industry. In both cases, they will affect economic development and social stability. Therefore, it is necessary to organically combine "no prosperity without industry" and "no stability without agriculture" in concrete work, integrating them as one and regarding them as supplementary and conducive, not contradictory nor antagonistic to each other.

It is necessary to adhere to the policy of "actively assisting, rationally planning, correctly guiding, and strengthening the supervision over" village and town enterprises in order to ensure their wholesome development. The conference held that supplementing agriculture with industry and supporting agriculture with sideline production and grain crops with cash crops, will be a system to be practiced in China for a long time.

Realistically analyzing new problems cropping up in the ongoing rural reform and rural economic development, comrades participating in the conference pointed out that the amazing agricultural growth rate over the recent years is mainly a result of eruption, in a concentrated form, of the existing potential for increasing production through the reform. Achievement of sustained and steady growth in agriculture from now will depend on stable policies and their continuous perfection, continuous growth of the peasants' enthusiasm, and improvement of the conditions for agricultural production.

The existing material and technological foundations of China's agriculture are still fairly weak. Toward the end of the Seventh 5-Year Plan period, we will reach a new production level, at which the per capita grain output should be about 800 jin and other meat products should increase accordingly, while per capita net income of the peasants should increase by a big margin. It will be an arduous task, which can be accomplished only by building the entire agriculture on new material and technological foundations. Therefore, it is necessary to reaffirm the strategic principle of taking agriculture as the foundation for developing the national economy. We should by no means relax the effort in agriculture because of an improvement in agricultural production. Neither should we negate the pivotal role of agriculture because of a decreasing proportion of agricultural output value in the national economy nor ignore the investment in agriculture because the construction of the agricultural infrastructure requires a longer construction period and produces results slowly.

In the course of the economic transformation, during which the unified and fixed state procurement systems in the rural areas were being reformed, many discordances appeared. After urban and rural reforms have converged, the adjustment of the relationship of interests among various quarters has become even more complex. While the convergence of urban and rural reforms has been conducive to rural reform in many areas, it has also created more new problems for rural reform, because urban and rural reforms have not yet been synchronized. There should be construction as well as destruction in reform, and so there is still much work to be done in reforming the distribution system, in organizing commercial services, in reforming the banking system, and in improving the cooperative system.

The meeting pointed out: The problems mentioned above are primarily created by the inevitable incompatibilities arising from reform in which a closed and old system is being replaced by an open and new system and during which the new system has just been established but the old system is still functioning. Moreover, because of traditional thinking, habits, and methods of work, people are unable to adapt to the new system in a short time, and so they must continue to study and explore. The conference stressed, in particular, that problems appearing in the course of reform must be resolved by upholding and deepening the reform, and not by retreating to the old way because retrogression has no way out.

The guideline set forth by the conference for next year's rural work is: consolidate, digest, and perfect the results that have already been achieved in rural reform; do away with the defects; pay special attention to properly settling certain conspicuous problems in reform so that still better results can be achieved in reform; and conduct investigation and study conscientiously, and make all sorts of preparations for making important moves in future rural reform.

On the basis of this guideline, the conference set forth the general requirements for rural work in 1986: Continue to place agriculture in its rightful economic position; maintain steady agricultural growth by means of scientific approach and by increasing input; continue to deepen rural economic reform; adopt effective measures to help impoverished areas do away with poverty gradually; and strengthen and improve the leadership over rural work. After being examined and approved by the party Central Committee and the State Council, the specific principles, policies, and measures in these respects will be promulgated in Document No 1 of the CPC Central Committee in 1986.

Toward the closing of the conference, Du Runsheng, director of the Rural Policy Research Center of the Secretariat of the CPC Central Committee and director of the Rural Development Research Center of the State Council, elaborated the theoretical and practical issues concerning the situation of and prospects for rural reform, the need to uphold and deepen reform, the policy of letting some people become affluent ahead of others, the objective of achieving common prosperity, and the development of commodity economy and the cooperative system.

In conclusion, the conference stressed: The steady growth of rural economy in 1986, the first year of the Seventh 5-Year Plan period, has vital bearing on the national economy as a whole. More important, it is of decisive significance in achieving the goal of China's becoming comparatively well off by the end of this century. For the sake of rural development, the Central Committee has drawn up a series of policies that have been proven to be correct by actual experiences, and so long as leading authorities and departments concerned at all levels work hard with concerted efforts, persist in carrying out reform, firmly strengthen and improve their leadership over rural work, and rely on the resourcefulness and diligence of the hundreds of millions of peasants, even greater successes certainly can be achieved in rural reform, the socialist commodity economy certainly will become more flourishing, and a new situation certainly will appear in the nation's rural areas!

TIAN JIYUN ON REFORM OF MARKETING COOPERATIVES

OW311439 Beijing XINHUA Domestic Service in Chinese 1421 GMT 29 Dec 85

[By reporter Qiu Yuan]

[Excerpts] Beijing, 29 Dec (XINHUA) -- Addressing a meeting attended by directors of some provincial and municipal supply and marketing cooperatives, Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, said yesterday that supply and marketing cooperatives should proceed to achieve still greater success in carrying out reform. According to the needs of the new situation, he said, supply and marketing cooperatives should from now on work for systemizing commodity production in the rural areas, promoting all forms of cooperation, and developing processing of agricultural and sideline products.

Tian Jiyun said: The operation of supply and marketing cooperatives has broadened considerably in recent years, and they have accumulated many new experiences in raising capital; in supporting the production, procurement, and processing of agricultural and sideline products; and in organizing all forms of integrated economic establishments. These experiences should be summed up and popularized.

Regarding the new situation confronting supply and marketing cooperatives, Tian Jiyun said: Rural development has moved quickly in recent years, and the development of commodity production has been expedited in the rural areas since policies governing the procurement and marketing of major agricultural and sideline products were revised and prices decontrolled.

This new situation has given supply and marketing cooperatives a great deal of new work and problems. The peasants earnestly hope that supply and marketing cooperatives will provide all kinds of services needed before, during, and after production, including storage and transportation services, and their assistance in organizing all forms of cooperation, in developing the business of processing agricultural and sideline products, and in providing scientific and technical guidance. When supply and marketing cooperatives are successful in these areas, the role they play in the rural areas' economic life will become even more important.

Tian Jiyun said: Supply and marketing cooperatives should pay attention to educating their staff workers on lofty ideals and discipline, and help them foster the idea of serving the people wholeheartedly. Doing business without regard to ethics is out of the question. We must pay attention to their spiritual and material needs, heighten their political consciousness, and improve their business proficiency.

ZHAO ZIYANG VISITS 1976 EARTHQUAKE VICTIMS

OW012052 Beijing XINHUA Domestic Service in Chinese 1845 GMT 1 Jan 86

[Text] Tangshan, 1 Jan (XINHUA) -- This afternoon, Premier Zhao Ziyang visited the Jietan Sanatorium in Tangshan City and called on those who were injured and disabled during the major earthquake in 1976. Premier Zhao was very happy when he saw them in good health. He praised them for their spirit, showing strong will despite their handicaps. He hoped that they would feel at ease, rest, and recuperate.

Premier Zhao arrived in the Tangshan area on 30 December 1985 to conduct investigation and study. He toured Zunhua, Qianxi, and Qianan Counties to study the local situation in readjusting the structure of farming and mining operations by the masses. He also visited some peasant households and had a cordial conversation with model worker Zhang Guishun. At Baimayu and Gaojiadian, he visited an ore dressing plant and a mining area. Premier Zhao said: There are abundant iron ore resources in east Hebei Province. The process of mining and ore dressing is fairly easy with low production costs. There are bright prospects for the masses to mine here. The masses carry out mining operations and deliver the ore to selected locations for unified ore dressing. The state will smelt the iron. This is a good system.

Early this morning, Premier Zhao extended his new year greetings to the workers of an ore dressing plant of the mining company under the Shoudu Iron and Steel Company at Yangdianzi. Premier Zhao also went to Leting County to study the process of artificial prawn-breeding. Tonight, Premier Zhao met with veteran comrades of the Hebei Provincial Advisory Commission who happened to be in Tangshan and the responsible persons of Tangshan City. Accompanying Premier Zhao to conduct investigation and study in Tangshan was Li Dongye, adviser of the financial and economic leading group.

HU QILI LAUDS DEMOCRATIC PARTY'S CONTRIBUTION

OW310614 Beijing XINHUA Domestic Service in Chinese 1254 GMT 30 Dec 85

[Speech by Hu Qili at 30 December meeting in commemoration of the 40th founding anniversary of the China Association for Promoting Democracy]

[Text] Beijing, 30 Dec (XINHUA) -- Comrades: It is of great significance to hold this ceremonious meeting to commemorate the 40th founding anniversary of the China Association for Promoting Democracy.

In the last 40 years, the association has closely cooperated and fought alongside the CPC advanced along a patriotic and revolutionary road, and made important contributions to the Chinese revolution and construction. On behalf of the CPC Central Committee, I hereby extend my warm congratulations to the China Association for Promoting Democracy, and cordially salute Chairman Ye Shengtao of the Central Committee, all leading comrades, and all members of the association.

All democratic parties in China have their own glorious histories. The China Association for Promoting Democracy was founded at an important historical juncture, when China was facing two different destinies and two different futures after we had won a great victory in the war against Japanese aggression. After the victory in this war the people throughout our country were longing to achieve peace and democracy at home and build an independent and prosperous country. However, the Kuomintang authorities acted against the aspirations of the people of the whole country, sold out national sovereignty, practiced dictatorship, brazenly started a civil war, and again plunged the people into the abyss of misery. In that grave situation, the China Association for Promoting Democracy closely cooperated with the CPC, and actively joined a patriotic democratic movement to oppose the civil war and dictatorship. In order to oppose imperialism, display patriotism, and promote democracy, many prestigious leaders of the association, such as Ma Xulun, Wang Shaoao, Zhou Jianren, Lin Handa, and Xu Guangping, repeatedly issued declarations and statements and wrote articles to comment on the political situation, attack the reactionary policies of the Kuomintang authorities, and wage a retaliatory struggle against their perverse acts. While the patriotic democratic movement was increasing daily, the China Association for Promoting Democracy, working in close cooperation with the CPC organization in Shanghai, did a great deal for the establishment of a federation of mass organizations in Shanghai, and thus played an important role in promoting a great alliance of all patriotic democratic forces in Shanghai. In June 1946, the Shanghai Federation of Mass Organizations organized a 100,000-person mammoth parade to oppose the civil war and send off a peace petition group from Shanghai to Nanjing. The group was headed by Mr Ma Xulun. The Kuomintang authorities created the "Xiaguan tragedy" in Nanjing, in which Ma Xulun, Lei Jieqiong, and other patriots were beaten and severely injured by ruffians. The Association for Promoting Democracy also waged a sustained struggle against the puppet "National Assembly," held by the Kuomintang, and its bogus constitution. During their heroic, patriotic anti-imperialist struggle, the association and its great number of members displayed the lofty spirit of the broad masses of Chinese revolutionary intellectuals in concerning themselves with the destiny of the country and the people, seeking truth, making progress and dedicating themselves to revolution. The association has made important contributions to the victory of the people's revolution and to the great struggle to build a New China.

After the founding of the People's Republic, the China Association for Promoting Democracy formulated a political line of accepting the CPC leadership and serving socialism, actively participated in socialist transformation and socialist construction, and played a positive role in building the people's regime and in starting New China's educational, cultural, and publishing undertakings. During the 10 years of domestic turmoil, many members of the association were cruelly persecuted. However, the comrades did not shake their faith in the Communist Party and socialism. It was very unusual and commendable that they stood fast at their workposts and remained faithful in the discharge of their duties under an extremely difficult situation. Since the 3d Plenary Session of the 11th CPC Central Committee, the China Association for Promoting Democracy has shifted the stress of its work to socialist modernization, actively taken part in consultation on important questions in the political life of our country, and put forward many important opinions and suggestions concerning national construction and educational reform. It has worked hard to help the CPC and the government implement policies concerning intellectuals, and has done a great deal to protect the interests of teachers, reflect their demands, and promote the general practice of respecting teachers and attaching importance to education.

It has helped its members and the teachers, with whom it has contact, raise their political awareness and vocational knowledge and perform their duties well. It has given lectures, helped train teachers, supported outlying regions with intellectual resources, offered a consultancy service, and carried out other activities, and has thus made new contributions to the promotion of educational, cultural, and publishing undertakings. In the last few years, a large number of advanced persons have emerged from among the members of the association. They work actively, diligently, and hard in building the two socialist "civilizations" and for the healthy growth of youth and children. Their spirit merits our study and deserves respect from society. In the new period, the China Association for Promoting Democracy is cooperating even more closely with the CPC in socialist undertakings, and is constantly creating a new situation in its work. It has become an important force we can rely on in the four modernizations and in united front work. The CPC is heartily gratified and rejoices to have the China Association for Promoting Democracy as a close fraternal party, sharing a common goal and standing together with us through thick and thin.

Comrades, the year 1985 will soon be over. This year, we have made new progress and achievements on all fronts, reform has made big strides forward and is in a very good position, the Sixth 5-year Plan has, overall, been overfulfilled, and we have, in the main, accomplished the task of achieving a fundamental turn for the better in our country's financial and economic situation. Although we are still facing unavoidable "labor pains" and difficulties in the course of reform, our practice in the last 7 years has proved that the principles and policies of the CPC Central Committee concerning reform of the economic structure are completely correct, and the progress of reform is even better than we expected. The current period is one of the best and most crucial since the founding of the People's Republic. Currently, people throughout the country, working under the guidelines of the CPC's National Conference of Party Delegates, are confidently ushering in the beginning of a new year and the start of the Seventh 5-Year Plan. The tasks ahead are glorious and arduous. After having made great achievements, we are forging ahead in the course of constantly solving new problems. We must persist in reform and adhere to the policy of opening to the outside world and invigorating the domestic economy. In the new year, we should consolidate, carry through, and supplement existing reformative measures, keep the good and abolish bad practices, step up investigation and study, and prepare well for further reform, so that it will yield even better results. In the course of socialist modernization, we should persistently build the "two civilizations" simultaneously. This is an extremely important strategic principle we must always adhere to throughout the socialist period. Currently, we should strive to fundamentally improve the conduct of the party and society, and step up the building of socialist spiritual civilization.

The China Association for Promoting Democracy is a democratic party, mainly comprised of educational, cultural, and publishing workers. The members of the association have connections with educational workers and shoulder the glorious mission of "the engineers of the human soul." It is particularly valuable that the association has its own find traditions, and many of its members are veterans or middle-aged experts in educational and cultural circles, who are playing an important role in building socialist spiritual civilization. I hope that the association will make full use of its strong points to continue suggesting ways and means to reform the educational structure, make efforts to improve the quality of teachers and train the new generation, and make new contributions to the building of spiritual civilization.

In the last few years, great developments have been made in the patriotic united front, and the China Association for Promoting Democracy and other democratic parties have contributed to the consolidation and development of the united front.

We shall continue to promote cooperation with all democratic parties in accordance with the principle of "long-term coexistence and mutual supervision" and "treating each other with all sincerity and sharing weal and woe." Multi-party cooperation under CPC leadership is an important characteristic and advantage in China's political system, as well as an important political feature of socialism with Chinese characteristics. We are convinced that the China Association for Promoting Democracy and other democratic parties will surely continue to play an important role in consolidating and enhancing China's political situation of stability and unity, promoting the building of the "two civilizations," reunifying the motherland and rejuvenating China. We hope that the association will continue to create new situations in its work, build itself ideologically and organizationally, and constantly make new progress in the days to come.

Comrades, the new year will soon begin. Let us unite, implement our great new plan, and usher in a victorious 1986!

RENMIN RIBAO URGES PROTECTING PATENT RIGHTS

HK010556 Beijing RENMIN RIBAO in Chinese 29 Dec 85 p 1

[Commentator's article: "Actively Protect and Use Patent Technology"]

[Text] On 1 April 1985, the first patent law of New China officially came into force. Over the past 8 months, the National Patent Bureau has received tens of thousands of patent applications. Through serious examination and strict legal procedures, 143 patent certificates, which were the first batch of patent certificates issued in China, were officially granted to inventors on 26 December. This marked the beginning of the legal process for protecting inventions and creations in China.

Patent rights, which are officially affirmed in the form of the patent certificate, are special property rights that are protected by law. After receiving a patent, the patentee will have the exclusive right to make, sell, and use the patented product or the patented technology for a certain number of years. This right is protected by law and should be respected by the entire society. In the past, there was an egalitarian practice of "eating from the same big pot" in the field of science and technology, and many achievements of scientific research and inventions were used by people without payment. Now this state of affairs has been changed. All enterprises, institutions, and individuals should study and implement the patent law and should respect other people's patent rights. If they need other people's patented technologies, they should sign patent transfer contracts with the patentees and should pay a fee for the use of the patents according to the law. All actions of infringing upon other people's patent rights or counterfeiting other people's patented products are against the law and people doing such things must be punished.

The patent system is a new thing in our country. Many people do not yet understand this system. In the course of implementing the patent law, it is unavoidable that some disputes over property ownership will appear. When dealing with these cases, the relevant units and individuals must act strictly according to the law and submit them to the patent and judicial departments for judgment. All departments and localities should make corresponding changes in their systems of managing and popularizing research achievements.

The ultimate purpose of invention and creation is not to obtain patents, but to turn science and technology into productive forces that will promote the modernization process in our country.

The enforcement of the patent law will provide favorable conditions for turning technologies and research achievements into commodities and for opening the technology market in our country. We should emphasize here that when receiving a patent, patentees should not think that their inventions and creations can thus be safely locked in a safe; instead, they should try to better promote the use of these inventions. Patented technologies, whether owned by domestic or foreign units, represent part of the latest inventions and creations in the world. The content of all patents will be made public, and this will enable users to select and buy what they need. All relevant departments should seize this opportunity to turn patented technologies into direct productive forces and should properly make use of these intellectual resources that have been tapped and are protected by law. This will promote the four modernizations in our country.

PLA COMPANY CRITICIZED FOR SUPERFICIAL WORK

HK010338 Beijing RENMIN RIBAO in Chinese 28 Dec 85 p 1

[Report from JIEFANGJUN BAO: "A Company of a Certain Combined Arms Army Makes Self-Criticism for Putting Up a Front"]

[Text] A JIEFANGJUN BAO report says: In mid-December, a certain combined arms army suddenly changed the site for the on-the-spot meeting to be held at the No 1 mechanized company under a certain regiment. At the new meeting place, the leading comrades of many divisions, battalions, and regiments on arriving there found themselves unexpectedly listening to a self-criticism by the political commissar of the regiment in question on why they had committed the mistake of doing superficial work.

The No 1 mechanized company of the regiment was an advanced unit, and had many good experiences in administration and dealing with relations between officers and men. When the army command discovered this example, it planned to let the company introduce their experiences at the army work conference on building grass-roots units, and those who would attend the conference would hold on-the-spot meetings at the company camp. To make the "bride-to-be" more "beautiful," the regimental leadership was doing its best "to put as much makeup" as possible on her: They allotted special funds to dig up the brick floor in all the squad and platoon rooms, redoing it with smooth concrete. The original kangs, brick platforms built in the rooms serving as one huge bed large enough to accommodate five or six people and under which a fire could be made to keep people warm all night in the winter, were broken up and replaced with brand new steel bunk beds. The walls were whitewashed. The kitchen and the stove were redone with white ceramic tiles. But the fighters were not so happy about it. Their rooms had just been redone with concrete and they were not supposed to step on the floor before it dried. They had to crowd themselves in the kitchen in the bitter cold at night. Some fighters said: "There is nothing to fear except an examination from above." Heading a group of cadres, Commissar Li of the army command examined the company in advance, and discovered their malpractice of doing superficial work and going in for formalism. He criticized them and made a prompt decision: The meeting place was to be changed, and the on-the-spot meeting at the No 1 mechanized company was called off. At the same time, the chief leading member of the regiment in question was ordered to make a self-criticism at the army work conference on building grass-roots units before making a self-criticism at the meeting for all the soldiers of the entire regiment. The "bride-to-be" who had been beautified with meticulous care did not "get married" in the end, but was severely criticized, which deeply impressed the leadership at all levels attending the conference. Many comrades said they have been criticized, but we are educated through criticism. We should likewise draw a lesson and refrain from doing superficial work.

WANG ZHEN ON EDUCATION IN REVOLUTIONARY TRADITION

HK010551 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 1 Jan 86

[Text] According to GUANGZHOU RIBAO, CPC Central Advisory Commission Vice Chairman Wang Zhen said recently when interviewed by KAITUOZHE [PIONEER] monthly that it is essential to further step up education in revolutionary tradition.

The venerable Wang said: We cannot practice a policy of closing the country to international intercourse in building a modern socialist state. It is inevitable that there will be corrosion by capitalist ideology and work style and that phenomena of corruption and decadence will appear in the course of opening up to the world. We must squarely face these problems. It is precisely for this reason that we must carry out regular education for the cadres and masses in waging arduous struggle, in being honest in performing official duties, and in revolutionary traditions. This education must be carried out for a long time.

The venerable Wang said: Beginning with the Opium Wars, many major events in recent Chinese history occurred in Guangdong. Guangdong has a tradition of uniting in the face of aggression and not being reconciled to bullying by imperialist powers. This point should be vigorously and conspicuously upheld. Hence, I again advocate that the comrades in Guangdong should compile a book on Guangdong's revolutionary history. By compiling such a book well, we can enable readers to gain enlightenment in many useful ways, to persist in reforms and in the open policy, and to invigorate China.

WANG ZHEN ADDRESSES NEW POLITICAL INSTITUTE

OW030017 Beijing XINHUA Domestic Service in Chinese 1213 GMT 30 Dec 85

[Excerpts] Beijing, 30 Dec (XINHUA) -- An institution of higher learning for young workers in the political science field -- the China Youth Political Science Institute -- was established in Beijing today. Established on the basis of the Central CYL School, this institute is under the dual leadership of the CYL Central Committee and Beijing Municipality. Song Defu, first secretary of the CYL Central Committee, has been appointed president.

Wang Zhen, vice chairman of the Advisory Commission of the CPC Central Committee and president of the Central Party School, attended today's inaugural ceremony. In his speech, he said: The China Youth Political Science Institute is an important front to train cadres to carry out the party's ideological work. The institute must regard the study and improvement of ideological and political work and the training of qualified young cadres to carry out ideological and political work as its own fundamental task. He hoped that the institute will become the cradle for nursing young cadres in carrying out political work and the base area where young people carry out their research work and make use of its achievements to change the unhealthy tendency of despising ideological and political work and to maintain the prestige of those departments that handle this work.

Peng Peiyun, vice minister of the State Education Commission, and Song Defu, president of the China Youth Political Science Institute, delivered speeches at the inaugural ceremony. They expressed their views on how to run the institute well and fulfill the teaching tasks.

A responsible person of the China Youth Political Science Institute said: This institute is aimed at training professional cadres for the CYL.

With the approval of the State Education Commission, the various departments of the China Youth Political Science Institute will begin to enroll students next summer. At the same time, the institute is also responsible for arranging on-the-job training for incumbent CYL cadres.

Outstanding student cadres among the graduating senior high school classes (including secondary normal schools) and incumbent CYL cadres at the same educational level may file applications for admission to the institute. The method of student enrollment combines recommendation and examination.

HU QILI AT BEIJING ADVANCED WORKERS SYMPOSIUM

OWO20607 Beijing XINHUA Domestic Service in Chinese 1712 GMT 31 Dec 85

[By reporter Zou Aiguo]

[Excerpts] Beijing, 31 Dec (XINHUA) -- Hu Qili, member of the CPC Central Committee Political Bureau and of the CPC Central Committee Secretariat; and Deng Liqun, member of the CPC Central Committee Secretariat, held a symposium this morning at the Huairan Hall in Zhongnanhai with more than 20 members of the Beijing Municipal Advanced Individuals Report Group and a few representatives of outstanding party members and advanced party branches in Beijing Municipality.

Hu Qili said: To rejuvenate the Chinese nation, we need a lot of dedicated people.. Thousands of unknown heroes, quietly immersing themselves in hard work in their ordinary positions, are a lesson to every one of us. Advanced and model individuals not only have to be advanced themselves, they should also pass on their way of thinking and good character to comrades of the younger generation, so that they can foster a strong conviction on communism, and become a new generation of our socialist society.

Xu Weicheng, deputy secretary of the Beijing Municipal CPC Committee, briefed the symposium on the deeds of some members of the report group. When he told of how woman teacher, Pan Yuelan, had rescued children at the risk of her life, Hu Qili said we should be grateful to our good Comrade Pan Yuelan, who was seriously injured in rescuing the children. The state should take good care of her livelihood and give her substantial rewards. Chen Hongzhi, secretary of the party branch of Yufushangyun Village in Tongxian County's Taihu Township, is a leader in changing the impoverished situation in local rural areas.

Hu Qili said to Chen Hongzhi happily: You will have a brilliant future if you continue your efforts in this direction. The people will not forget you after all the good things you have done. When Xu Weicheng said that Feng Xinjian, a model worker of Beijing Municipality, has been re-educated through labor, Hu Qili said: It is not easy to be determined to live a new life. It is a trial that takes a strong will to survive. Besides all kinds of hardships, the most important thing is serve the people conscientiously, despite other people's sarcasm and the blows you receive.

Dai Hongxiang, a worker of the Beijing violin factory; Qiu Zhenliang, secretary of the party branch of Fangshan County's Doudian Village; and Bu Xiaofeng, an individual business operator in Xuanwu district; briefed the meeting on their advanced deeds.

Hu Qili said: A man needs money to buy clothes and food in order to stay alive. But man should not live only for money, he also needs something spiritual. A man's happiness can only be achieved through working for the people and younger generations, making contributions to the motherland, and giving the five-starred red flag more splendor.

Hu Qili said: Our cadres must be honest and strive to overcome all kinds of difficulties in performing their duties. In addition, they should strive to develop production businesses in order to enable the people to live comfortably, and to pay attention to promoting socialist spiritual civilization. Deng Liqun inquired of Qiu Zhenliang about young party members in his village. He said: We still have a rather low percentage of young members in our party. In order to perpetuate our undertaking and carry forward the revolution, we have the responsibility of cultivating a great number of young party members, willing to struggle for the communist cause.

Before the symposium ended, Hu Qili said: We should carry forward the spirit of the foolish old man who removed mountains in this new historical period, and in face of the tasks, starting with the implementation of the Seventh 5-Year Plan. Under the party's leadership, we should enhance our discipline, unite closely, and strive to overcome all kinds of difficulties with firmness and persistent effort, in order to maintain a stable and united political situation, and to advance our socialist modernization drive.

Li Ximing, secretary of the Beijing Municipal CPC Committee; Beijing Municipal Mayor Chen Xitong; Luo Gan, vice chairman of the All-China Federation of Trade Unions; Song Defu, first secretary of the CYL Central Committee; and Wang Qingshu, member of the Secretariat of the All-China Women's Federation, also participated in the symposium.

QIAO SHI, CHEN PIXIAN MEET ADVANCED WORKERS

OW010519 Beijing XINHUA Domestic Service in Chinese 1209 GMT 30 Dec 85

[Text] Beijing, 30 Dec (XINHUA) -- Comrades Qiao Shi, Chen Pixian, Zheng Tianxiang, and Yang Yichen met with the delegates at a meeting on commending advanced collectives and advanced workers of China's Justice Department and the second national meeting on people's mediation work at the Great Hall of the People this afternoon. The leading comrades had group photographs taken with the delegates.

DENG LIQUN COMMENDS ADVANCED MUSEUM WORKERS

OW010429 Beijing XINHUA Domestic Service in Chinese 0826 GMT 30 Dec 85

[By reporter Yin Hongzhu]

[Excerpt] Beijing, 30 Dec (XINHUA) -- The Ministry of Culture today commended 70 advanced collectives and 170 advanced workers in China's cultural relics departments and museums.

A meeting was held this morning to award prizes to the advanced collectives and workers. Leading comrades, including Deng Liqun, Liu Lantao, Yan Jici, Zhu Houze, Zhu Muzhi, and Liao Jingdan, issued prize plaques to representatives of advanced collectives and to the advanced workers, and congratulated them on their achievements in cultural relics and museum work.

LI PENG WELCOMES COMPLETION OF POWER PROJECTS

OW020129 Beijing XINHUA Domestic Service in Chinese 1613 GMT 30 Dec 85

[By JINGJI RIBAO reporter Ding Shi and XINHUA reporter Huang Fengchu]

[Excerpts] Beijing, 30 Dec 85 (XINHUA) -- The task set by the CPC Central Committee and State Council to ensure 5 million kw generator sets were put into operation this year was successfully accomplished today.

At this evening's telephone conference to mark the occasion, jointly held by the Ministry of Water Conservancy and Electric Power and the Ministry of Machine-Building Industry, Li Peng, member of the CPC Central Committee Political Bureau and vice premier of the State Council, extended warm congratulations and regards to all cadres and workers taking part in the first-line manufacturing and installation of these 5 million kilowatts generator sets.

According to statistics, China completed and put into operation 33 large and medium-sized generator sets this year, totaling 5.3975 million kilowatts in generating capacity. Three of these sets are hydropowered, with a total capacity of 197,500 kilowatts, and the remaining 30 thermal-powered, with a total capacity of 5.2 million kilowatts. With the generator sets of 700,000 kilowatts added by small hydropower and thermal power stations, as well as power plants operated by individual organizations, the nation put into operation new generator sets of a total of 6.1 million kilowatts this year, which is a record. Most of the units were installed at power stations located in the eastern part of the country, which is more economically developed, and yet has an acute shortage of power. These new generating units will play an important role in the nation's economic development.

Li Peng said: We were able to put into operation generator sets totalling more than 5 million kilowatts this year, mainly because: 1) A great number of cadres and the masses have worked with high ideals, self-consciousness, a sense of responsibility, and enthusiasm; 2) all departments and localities concerned have worked in close cooperation; 3) leaders at all levels have gone deep into the first line to solve problems.

Li Peng emphatically point out that power supply will remain strained in China for a fairly long period, and that we must not lower our guard and become lax in our work after the addition of the 5 million kilowatts' generating capacity, because more arduous and difficult tasks are yet to be accomplished. He called on electric power departments to take good care of, and fully utilize, the newly-added 5 million kilowatts generator sets, to enable them to operate safely, economically, and at full capacity, so that society will truly benefit. He also urged those departments to make contributions to the manufacturing and operation of another 5 million kilowatts of generator sets next year.

CHEN PIXIAN, OTHERS VISIT BEIJING ART SHOW

OW011310 Beijing XINHUA Domestic Service in Chinese 1140 GMT 31 Dec 85

[Text] Beijing, 30 Dec (XINHUA) -- An exhibition of art work provided by the Shanghai Oil Painting and Sculpture Academy opened at the China Art Gallery this morning. Chen Pixian, Huang Zhen, Peng Chong, Zhu Muzhi, and other leading comrades as well as hundreds of people in the capital's art circles have visited the show.

Most of the exhibits, which include 51 oil paintings and 64 sculptures, are painstaking works of art by artists in recent years. By different ways and from different angles, the artists have depicted the colorful realities of life, nationality histories, and landscape. The exhibit, which will close on 12 January 1986, is cosponsored by the Chinese Artists Association and its Shanghai branch, the Shanghai Municipal Cultural Bureau, and the Shanghai Oil Painting and Sculpture Academy.

TIAN JIYUN AT WATER CONSERVANCY DEPARTMENT FAIR

OW011241 Beijing XINHUA Domestic Service in Chinese 1434 GMT 30 Dec 85

[By reporter Cui Lisha]

[Text] Beijing, 30 Dec (XINHUA) -- Tian Jiyun, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, this evening visited the second fair held by China's water conservancy department. On display at the fair are products from various undertakings run by water conservancy organizations. Tian Jiyun said: It is fruitful for the water conservancy department to run productive undertakings. They can create jobs, increase state revenues, enliven the market, reduce government burden by providing better benefits for water conservancy workers and staff members, and stabilize the water conservancy work force. He pointed out: As long as the policy is correct, the productive undertakings have a great potential and are full of promises, and the experiences in this regard should be conscientiously summed up.

The fair opened on 15 December. Since then, the products on display at the fair have been welcomed by the Beijing people and goods of some exhibition groups have been sold out. Seeing this situation, Tian Jiyun said happily: This shows that the products are good, and attention should be given to further improving the quality of products in the future.

HAO JIANXIU VISITS MODEL WORKERS IN SHANGHAI

OW020653 Beijing XINHUA Domestic Service in Chinese 1452 GMT 1 Jan 86

[By reporter Wu Fumin]

[Excerpts] Shanghai, 1 Jan (XINHUA) -- Hao Jianxiu, member of the Secretariat of the CPC Central Committee, visited and extended new year's greetings to famous model workers Yang Huaiyuan and Zheng Yaqin, and well-known patriotic democrat and national "8 March" red-banner pacesetter Rong Shuren in Shanghai today.

Rong Shuren told Hao Jianxiu that she has run a nursery in her house, and is preparing to invest several thousand yuan to set up a bigger nursery. Hao Jianxiu was very happy, firmly holding Rong's hand and saying: "You are quite far-sighted. It is necessary to take good care of children in order to cultivate them into talented persons when they grow up. This task relies on all society, but you have set a good example."

After visiting those advanced and model persons, Hao Jianxiu said to Wu Bangguo, deputy secretary of the Shanghai Municipal CPC Committee, and responsible persons of Shanghai's Trade Union Federation, CYL Committee and Women's Federation who were accompanying her on the visit: "In order to fulfill the Seventh 5-Year Plan, we need more model workers. We should publicize, support and show concern for model workers."

ANHUI'S HUANG HUANG ON UNHEALTHY TENDENCIES

OWO20251 Hefei Anhui Provincial Service in Mandarin 1100 GMT 30 Dec 85

[Text] On the afternoon of 25 December the Anhui Provincial CPC Committee, held a meeting of responsible cadre party members from organs directly under the provincial authority.

Wang Yuzhao, deputy secretary of the provincial party committee and governor of the province, presided.

Huang Huang, secretary of the provincial party committee, gave a mobilization report on implementing the guidelines set out in a document issued by the General Offices of the CPC Central Committee and the State Council, effectively rectifying unhealthy tendencies in party and government organizations, and improving the work style of such organizations.

Attending the meeting were responsible comrades of the provincial party committee, the provincial Advisory Commission, the provincial People's Congress, the provincial people's government, the provincial CPPCC Committee, the provincial Discipline Inspection Commission, and the departments concerned. All the comrades attending a provincial conference on the rectification of party style and a provincial forum on ideological and political work also attended the meeting to hear the report.

In his report, Comrade Huang Huang said: The General Offices of the CPC Central Committee and the State Council recently issued a document calling for a solution to several serious problems in the work style of party and government organizations. This highly significant document has enabled us to understand more clearly the importance of strengthening the building of party and government organizations and the harmfulness of unhealthy tendencies, to raise our sense of responsibility and urgency in rectifying unhealthy tendencies, and to have a clear understanding of specific policies and measures in this regard. We must conscientiously implement this document.

Comrade Huang Huang said: To effectively build party and government organizations, we must seriously deal with their problems and combat various unhealthy tendencies in particular. Unhealthy tendencies are conspicuous problems in our political life. Some unhealthy tendencies the central authorities have repeatedly given instructions to check have not yet been completely stopped, but have developed in the new situation. As a result, some new, extremely serious problems have occurred. The eight different kinds of problems pointed out in the document exist in our province to varying degrees, and some are quite serious. In addition, other problems also merit serious attention. Therefore, party and government organizations at various levels should seriously check their problems against the document individually. The organs directly under the provincial authority should particularly take the lead in doing so, and so should the comrades of various departments attending the meeting.

Comrade Huang Huang pointed out: It is a policy task to rectify the work style of party and government organizations, and to oppose and correct unhealthy tendencies. It is therefore necessary to effectively strengthen leadership over this work in order to ensure its smooth development. In this regard, particular efforts should be made to carry out ideological education, give timely guidance to cadres and people with ideological problems, and properly tackle such problems.

First, a correct analysis should be made of current unhealthy tendencies. Good things should be affirmed, differing views analyzed and shortcomings and mistakes corrected.

Second, it is necessary to have a correct understanding of the relationship between reform and opposition to unhealthy tendencies.

Third, a realistic analysis should be made of the main causes of the failure to bring about a fundamental turn for the better in party style and the standards of social conduct. Some unhealthy tendencies have not been rectified, mainly because we have failed to effectively implement a series of instructions issued by the central authorities in this regard. We have talked more than we have acted in this respect. Figuratively speaking, there are more cats just mewing than those catching mice.

Fourth, it is necessary to solve the problem of confidence in rectifying unhealthy tendencies. Our party is a proletarian vanguard organization armed with Marxism-Leninism, and its basic purpose is to serve the people wholeheartedly. This determines that our party, by nature, is diametrically opposed to all unhealthy tendencies and resolutely combats and rectifies them. Therefore, we should be confident about combating and rectifying unhealthy tendencies.

On how to rectify serious problems in the work style of party and government organizations, Comrade Huang Huang stressed: It is the call of the central authorities, the wish of the masses, and our duty to combat and rectify unhealthy tendencies. Leading comrades at various levels should do the job themselves. The whole party should take action in this regard, in order to effectively rectify unhealthy tendencies.

First, efforts should be made to strengthen and improve ideological and political work. The basic way to rectify unhealthy tendencies is to effectively conduct ideological education and raise the quality of party members and cadres. To thoroughly rectify unhealthy tendencies, we should start with education and ideological and political work. In this regard, we should give guidance to party members and cadres, educate them, and raise their quality. We should do our work before problems crop up. Attention should now be paid to strengthening education in Marxism-Leninism, on ideals, morality, culture, and discipline, as well as on the party's fine traditions and work style. This will enable party members, especially those who are leading cadres, to really carry forward the revolutionary spirit of serving the people wholeheartedly, and dedicating one's life to the struggle for communism, to maintain ideological and political unity with the party Central Committee, to uphold party unity and centralism, to maintain and carry forward the party's fine traditions and work style, and to work and study hard. It is necessary to highly commend exemplary persons who seek no personal gain, are honest in performing their official duties, and serve the people wholeheartedly. We should create a good atmosphere throughout the party and society, in which people learn from advanced persons and compete with one another to become models.

Second, it is necessary to formulate or improve relevant rules and regulations, and to leave no loopholes for those engaged in evil practices to exploit. This is a basic and very important measure to prevent and rectify unhealthy tendencies. Various localities and departments, with local problems in mind, should also formulate a set of specific and effective rules and measures, in accordance with the relevant regulations of the central authorities and the provincial party committee, so that people will have rules to go by. This will also facilitate the broad masses to supervise them in this regard.

Third, leaders at various levels should improve their own work style. It is most important for the leaders to pay attention to improving their work style and setting an example in this regard. Leading bodies, leading cadres, and party members should take the lead in improving their work style, starting immediately, and do what is of the utmost concern to the masses. Leading comrades should listen to the masses' opinions and criticisms, find solutions to existing problems, and work out measures to rectify unhealthy tendencies. They should be strict with themselves and set an example in rectifying unhealthy tendencies, in order to play an exemplary role in this respect.

Leading bodies at various levels should hold democratic life and year-end work appraisal meetings soon to examine problems in the work style of their organizations, in accordance with the guidelines set out in the document issued by the General Offices of the party Central Committee and the State Council, and should regard such problems as the key points in their criticism and self-criticism. As for the problems discovered, they should be handled individually. The handling of such problems should be reported to a party organization at a higher level, along with the minutes of democratic life meetings.

Stress should be put on education to improve the work style of party and government organizations and rectify unhealthy tendencies, both inside and outside the party. Not everyone should be required to pass the test. Problems should be solved when discovered, and those who are responsible for such problems should be investigated. In so doing, close attention must be paid to policy.

Fourth, we should be selfless, spare no one's sensibilities, and dare to tackle hard cases and uphold principles. No one is allowed to intercede for units, party members, and cadres that have violated the law and discipline, much less to shield or wink at them. It is not permitted to conceal problems or to resort to deception. When such cases are discovered, they must be sternly dealt with. Problems should be solved from level to level, and each level should be responsible for solving its problems. If serious unhealthy tendencies are not rectified at a certain level or department, the leader of that department or area should be investigated for his neglect of duty. It is necessary to grasp major, serious, or typical cases at various levels, and to deal seriously with them.

After this meeting, all units and departments should rectify their work style according to their actual conditions, take concrete measures to correct unhealthy tendencies, and conscientiously mobilize people to carry out such measures. Prefectural, city, and county organizations should also do the same and achieve results in this winter and the coming spring. It is necessary to bring about a fundamental turn for the better in party style in 1 or 2 years.

FUJIAN CIRCULAR ON ILLEGAL HOUSING CONSTRUCTION

OW021151 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 28 Dec 85

[Text] The provincial Discipline Inspection Commission recently issued a circular stressing need to pay close attention to correcting the unhealthy tendency of cadres who are party members illegally building houses in the course of party rectification.

The circular pointed out: The arable land is the foundation of the national economy and the people's livelihood and the basic condition for ensuring the nation's survival. Showing no consideration for the fundamental interests of the people, some leading cadres who are party members have taken the initiative to build comfortable homes for themselves on arable land. This is prohibited by state laws and party discipline.

In its circular, the provincial Discipline Inspection Commission pointed out: The practice of cadres illegally building houses on arable land constitutes a serious violation of law and discipline. The malpractice of abusing powers to engage in illegal acts must be firmly opposed and lawbreakers must be severely punished.

The circular concluded: The concerned upper authorities have issued a number of directives on building of houses by cadres who are party members in violation of discipline since May 1981. A province-wide investigation has been conducted on this matter. Although some successes have been scored, the leaders of some localities and units have not wholeheartedly and firmly carried out the work by specific measures. We must attach great importance to this issue and make serious efforts to rein in this unhealthy tendency in the course of party rectification.

SHANGHAI MAYOR ATTENDS MEETING ON TECHNOLOGY

OWO21223 Shanghai City Service in Mandarin 2300 GMT 28 Dec 85

[Text] Shanghai has achieved fruitful results in updating its industrial technology in 1985. At a meeting sponsored by the Shanghai Municipal Economic Commission at the hall of the municipal government yesterday afternoon, over 1,600 advanced units and individuals as well as outstanding products were commended. Mayor Jiang Zemin and Vice Mayor Liu Zhenyuan attended and addressed the meeting.

The 250 projects Shanghai has renovated or imported from abroad in 1985 according to plan will increase its output by 1.82 billion yuan, generate 360 million yuan of taxes and profits for the state, and earn 105 million yuan of foreign exchange. The city has also accomplished all the 1,146 projects planned (?for 1985) for developing and producing new products and for digesting technology.

The meeting pointed out that during the Seventh 5-Year Plan period, Shanghai must continue to update its industrial technology according to the guidelines and principles the party Central Committee has set forth in its proposal for the Seventh 5-Year Plan, and strive to improve nearly one-half of the major categories of industrial goods so that they will reach the advanced international level in terms of quality and capabilities. In terms of upgrading its industrial products, Shanghai should, in 1986, accomplish 500 projects in developing and producing new products and improving the quality of products. Moreover, it should make its first step in achieving the Seventh 5-Year plan in a down-to-earth manner by putting 300 imported and renovated projects into operation.

GUANGDONG FORUM ANALYZES SERIOUS FRAUD CASES

HK021025 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 31 Dec 85

[Text] From 23 to 26 December, the Guangdong Provincial CPC Committee's group for guiding party rectification and Discipline Inspection Commission jointly held a forum in Guangzhou City to analyze serious economic cases of fraud. Focusing on the serious cases, including that of (Liu Haoran), cracked in our province over recent years, the comrades present at the forum analyzed the pattern of the defrauders' activities and their methods of fraud and summed up the profound lessons we should draw. These lessons are:

1. We must correct the principles and guiding ideology of operating socialist enterprises. Since the 3d Plenary Session of the 11th CPC Central Committee, the CPC Central Committee has formulated a series of correct policies for our enterprises. Facts have proved that only by adhering to these policies can we develop our productive forces, make the economy flourish, and improve the people's livelihood. If we do everything for the sake of money, then as long as we can earn money, we can do everything. This will surely lead our socialist enterprises astray and they become bases for criminal activity.
2. It is essential to persistently apply the Marxist stand, viewpoint, and method in order to correctly understand a person and to correctly assess a cadre. When we employ a person, we must conduct an all-round examination, and we need people with both ability and political integrity. We must not regard those who have the gift of gab and can earn money as people of ability and good cadres, put them in important positions, and appoint them to important economic work posts, including chairmen of boards of directors, general managers, and managers, allowing them to defraud and deceive everywhere with a lawful appearance.
3. It is imperative to adhere to the socialist legal system and to struggle unceasingly against criminals. Some of our cadres have not acted in accordance with the law and regulations, although the law and regulations exist. They have not carried out orders, although orders have been issued. They have not stopped doing things that are prohibited. The defrauders have made use of this weakness to misappropriate large amounts of our wealth. We must strengthen the concept of the legal system and apply the weapon of the law to wage resolute struggle against the criminals and to promptly see through their schemes and intrigues. These defrauders are the dregs of society and ruthless criminals. They have used the tactics of infiltrating our ranks and dragging our people into their camp and, using sugarcoated bullets and smoke screens, fooled and deceived our cadres and even made them go along with them in their evil deeds. We must enhance our vigilance, promptly see through their schemes, and mobilize the masses and forces of the whole society to struggle against the criminals so that they have no place to hide.

Attending this forum were responsible persons of the party rectification offices and discipline inspection commissions of the Guangzhou, Shenzhen, Zhuhai, Foshan, Maoming, and Zhanjiang City CPC Committees, relevant personnel handling the cases; and responsible persons of units concerned at the provincial level, totaling some 40 people. Wang Ning, deputy secretary of the provincial CPC Committee; and Xie Bangzhi, deputy director of the General Office of the Central Commission for Guiding Party Rectification, attended the forum and spoke.

SHENZHEN HANDLES OVERSEAS CHINESE COMPLAINTS

HK030834 Beijing ZHONGGUO XINWEN SHE in Chinese 0842 GMT 1 Jan 86

[Text] Guangzhou, 1 Jan (ZHONGGUO XINWEN SHE) -- Conscientiously handling complaints filed by Overseas Chinese and Hong Kong and Macao compatriots, the Shenzhen Special Economic Zone's procuratorate has helped complainants recover losses worth RMB 20 million and almost 10 million Hong Kong dollars last year.

After receiving accusatory letters and complaints filed by Overseas Chinese and Hong Kong and Macao compatriots, The Shenzhen Special Economic Zone's procuratorate made in-depth investigations and acted according to the law. In May last year, a man from Fujian Province went to Shenzhen to study the investment environment as requested by his relative living in Canada. The security section head of the city's Post and Telecommunications Bureau extorted HK\$16,000 from him. The man lodged a complaint with the Shenzhen Special Economic Zone procuratorate. After in-depth investigation and verification, the procuratorate arrested the extortionist and recovered the HK\$16,000.

The Shenzhen procuratorate also protects the legitimate interests of Hong Kong and Macao compatriots. In March last year, a Hong Kong compatriot denounced the Shenzhen Xingfa Department Store for failure to pay back RMB 20,000 the store had borrowed on the pretext of a joint venture. After investigation, the procuratorate ruled that the Xingfa Department Store should pay its loan promptly.

HUBEI SECRETARY AT MOUNTAINOUS AREA WORK FORUM

HK011424 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 30 Dec 85

[Excerpt] The Hubei Provincial CPC Committee's conference on work in the mountainous areas, which lasted 8 days, concluded yesterday. Attending this conference were some 300 responsible comrades from the 36 counties and cities in the mountainous areas in our province; from all prefectures, cities, and autonomous prefectures; from all departments, committees, offices, and bureaus at the provincial level; and from 8 relevant counties. Guan Guangfu, secretary of the provincial CPC Committee, presided over the conference and delivered the summation. Guo Zhenqian, deputy secretary of the provincial CPC Committee and vice governor, and Qian Yunlu, deputy secretary of the provincial CPC Committee, respectively spoke about relevant problems at the conference. Responsible comrades including Governor Huang Zhizhen; Wang Qun, deputy secretary of the provincial CPC Committee and first secretary of the Wuhan City CPC Committee; Han Ningfu, chairman of the provincial People's Congress Standing Committee; and Shen Yinluo, vice chairman of the provincial Advisory Commission, attended and presided over the conference.

This conference was an important meeting in our province on the relatively systematic study of the problems of the mountainous areas since the 3d Plenary Session of the 11th CPC Central Committee. During the conference, all places exchanged their experiences in work in the mountainous areas, some 200 advanced figures who have made prominent contributions toward the building of the mountainous areas were commended, and the decision made by the provincial CPC Committee and provincial government on strengthening the building of the mountainous areas and helping the poor was discussed.

The conference held: If the mountainous areas want to change their outlook, to be lifted out of poverty, and to get rich, the first thing to do is for the whole party to fully understand the strategic role of the mountainous areas in our province and define the strategic arrangements for the building of the mountainous areas. For historical and objective reasons, the mountainous areas remain fairly poor and the advantages of their abundant resources have not been brought into play. The problem of clothing and food for the several million people of our province has not been solved and is mainly concentrated in the mountainous areas.

Therefore, helping the mountainous areas change their outlook is not only an economic problem but also a serious political problem. With the development of the economy in the mountainous areas, the aim of invigorating Hubei's economy and standing in the forefront of the four modernization can be achieved. A pressing matter at the moment is that the problem of clothing and food for the several million people in the mountainous areas must be basically solved in 2 to 3 years. At the same time, preparations for systematic exploitation must be made.

Further relaxing the policies toward the mountainous areas in light of their specific characteristics is an important problem that the representatives present at the conference came to understand. The foundation of the mountainous areas is weak. More flexible and opening up policies must be implemented than in the plains regions so that more operational decision-making powers can be given to the people in the mountainous areas.

The conference held: Practically and realistically formulating the principles of production in the mountainous areas and vigorously developing the commodity economy there is another important problem confronting the mountainous areas. Invigorating the economy in these areas is a very complicated type of systems engineering. The key to this lies in two areas: 1) It is necessary to adhere to seeking truth from facts and to deepen understanding of the mountainous areas, and 2) it is essential to give full play to the advantages of the mountainous areas and to vigorously develop the planned commodity economy. We must further emancipate our minds from the shackles of the ideas of the small-scale peasant economy and work hard to develop the commodity economy. At present, in supporting the development of the commodity economy, we must consider three aspects: 1) Strengthening the building of fundamental facilities, particularly the building of roads in the mountainous areas and of the electric power industry; 2) supporting the readjustment of the production structure in the mountainous areas, particularly agriculture forestry, animal husbandry, special native products, mining, and tourism, to develop the mountainous areas; and 3) supporting the mountainous areas in developing economic results, developing intellectual resources, and training talented personnel.

Vigorously introducing science and technology into the mountainous areas and using the golden key of science and technology to open the treasure-house of resources in the mountainous areas was also put forward as a big task. The conference held: As we attach importance to the policies on building the mountainous areas, we must attach importance to introducing science and technology into these areas. As we grasp the implementation of the policies on the mountainous areas, we must tackle the key scientific and technological problems and popularize science and technology in the mountainous areas.

At this conference, the provincial authorities decided to support and help the mountainous areas with financial and material resources. The conference also held: The key to whether or not the fruits of this provincial CPC Committee's conference on the work of the mountainous areas can be consolidated and whether or not the practical role of this conference can be brought into play lies in whether or not we can grasp implementation. All these policies and measures must be implemented by the provincial CPC Committee, provincial government, all departments at the provincial level, leaders at all levels, and the basic levels. To implement the spirit of the conference, we must have down-to-earth work style. In the coming 2 years, responsible comrades of the provincial CPC Committee, provincial government, and all departments must go to the mountainous areas at least once or twice to understand the new situation, new problems, and new experiences in implementing the spirit of this conference and to understand what further work we should do. All large and medium cities and enterprises, universities, and colleges must regard supporting the mountainous areas and changing their outlook as soon as possible as important tasks.

XIZANG CPC MEETING STRESSES COMBATING LEFTISM

HK030229 Lhasa Xizang Regional Service in Mandarin 0100 GMT 3 Jan 86

[Excerpts] The 15-day enlarged meeting of the Shannan Prefectural CPC Committee held a full session on the afternoon of 28 December at which Secretary (Wang Junjie) delivered a summation entitled "Clearly Understand the Situation and Tasks, Transform Work Style, and Achieve New Great Development."

Regional CPC Committee Secretary Wu Jinghua made a special trip to Shannan to attend the meeting. He listened to the work report of the prefectural CPC Committee, held a forum of county CPC Committee secretaries, and discussed with the comrades the issues of eliminating leftism and thoroughly negating the Great Cultural Revolution. He made an important speech at the conclusion of the meeting.

The prefectural CPC Committee demanded that the party organizations at all levels get a good grasp of the following tasks in solving the questions of going further in totally negating the Great Cultural Revolution, in eliminating leftism, and in correcting the ideological line:

1. Spend a period of time organizing the leadership groups and the cadres at all levels to review and sum up work since the 3d Plenary Session of the 11th CPC Central Committee and to eliminate manifestations of leftism.
2. Restudy the resolution of the 6th Plenary Session of the 11th CPC Central Committee on a number of problems in the history of the party since the founding of the state, to enable everyone to understand that the lower levels were not responsible for the problems that occurred in the past. In going further in negating the Great Cultural Revolution and in eliminating leftism, it is necessary to follow the principle of seeking truth from facts and confronting events, not people. By thoroughly negating the Great Cultural Revolution and eliminating the influence of the "two whatevers," it is necessary to implement the policies on religion, nationality, and the united front, promote nationality education, and implement the policies on intellectuals.
3. Two things should be done before the Tibetan New Year. First, we must hold meetings of party committees and groups of prefectural and county organs and of cadres of counties, districts, and townships, to implement the spirit of the three central conferences and the enlarged meeting of the regional CPC Committee Standing Committee. This spirit should also be implemented among the peasants and herdsmen. Second, the leadership groups must themselves take the lead in rapidly and thoroughly eliminating the vestiges of the Cultural Revolution.

It is necessary to implement seriously the party policy on freedom of religious belief, distinguish between religion and feudal superstition, and unite the masses of believers and nonbelievers to build a united, rich, and civilized new Xizang.

The meeting concluded on 29 December. On New Year's Day, accompanied by responsible comrades of the Shannan Prefectural CPC Committee and Commissioner's Office, Comrade Wu Jinghua visited comrades of the Shannan Prefectural CPPCC, Buddhist Association, and Tibetan hospital to extend new year greetings. He also held a forum with them to listen to their views on work.

HEILONGJIANG SECRETARY ON UNITED FRONT WORK

SK281011 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 27 Dec 85

[Excerpts] At the united front work conference sponsored by the provincial CPC Committee, which concluded on 27 December, Sun Weiben, secretary of the provincial CPC Committee, delivered a speech in which he stressed that the party committees at all levels should be clear about the position and role of united front work in the new historic period and that the principal leading personnel of the party committees should set themselves as examples in carrying out the work and lead the entire party to achieve success in the work.

In his speech, Comrade Sun Weiben stated: Our province has created an excellent situation in united front work. During the war, our party regarded united front work as one of the three major weapons. In the current program of building the four modernizations, the work is still the major weapon of the party, since it is faced with the historical tasks of unifying the motherland and making China prosperous during the new historical period. In particular, we cannot depend on the CPC alone in building socialism that reflects Chinese characteristics and in fulfilling the Seventh 5-Year Plan.

In his speech, Comrade Sun Weiben stated: Since the 3d Plenary Session of the 11th CPC Central Committee, the emphasis in united front work has shifted from class struggle to economic construction. Therefore, it is imperative to implement continuously the principle of long-term coexistence, mutual supervision, treating each other with all sincerity, and sharing weal and woe. We should advocate that all nonparty personages can be our friends and oppose the idea of being closed up and having only the CPC do all work.

In his speech, Comrade Sun Weiben urged united front work departments at all levels to study earnestly new questions and to put forward their measures and opinions for dealing with these questions in order to be good staff officers for the party committees at all levels. He also urged these departments to upgrade continuously their standards in making policy decisions, conducting guidance, and rendering service and to be a home of nonparty personages.

At the united front work conference, Zhou Wenhua, deputy secretary of the provincial CPC Committee, delivered a report entitled "Make Further Efforts To Create a New Situation in the United Front Work," in which he called for doing a good job in grasping the following tasks:

1. Efforts should be made to carry out reeducation on the theories, principles, and policies of united front work in order to upgrade party members' understanding regarding this work to a new level.
2. Efforts should be made to bring into play the enthusiasm and creativity of nonparty personages in making contributions to the programs of building the four modernizations and conducting reforms.
3. Efforts should be made to enhance propaganda work among the compatriots in Taiwan, Hong Kong, and Macao.
4. Efforts should be made continuously to enhance cooperation with democratic parties and to make job arrangements for nonparty cadres.
5. Efforts should be made to start well and end well in implementing the policies on united front work and to take a new step in dealing with long-standing, big, and difficult problems.

Yan Mingfu, head of the United Front Work Department under the CPC Central Committee, attended the conference and delivered a speech.

FIRST NORTHEAST ECONOMIC ZONE MEETING IN SHENYANG

SK310415 Changchun JILIN RIBAO in Chinese 7 Dec 85 p 1

[Text] According to a decision of the State Council, the northeast China economic zone will establish a system of holding joint conferences with the participation of governors of the three provinces, the chairman of the autonomous region, and provincial responsible comrades of the Northeast China Economic Zone Planning Office. The first joint conference was held in Shenyang from 3 to 6 December. At the conference the participants conscientiously discussed the work of the planning office done during the 2 years since its founding, the tasks ahead, relevant matters concerning the "Seventh 5-Year" Plan of northeast China, and the issues concerning persistently carrying out reform and the open policy and vigorously developing horizontal economic cooperation. Held in a united and coordinated atmosphere, the conference has yielded positive results.

The conference held: Over the past 2 years the Northeast Energy Transport Planning Office has done a great deal of work. According to the demands of the developing situation, the State Council changed the name of the Northeast Energy Transport Planning Office into the Northeast China Economic Zone Planning Office. This change was made in an essential and timely manner. Comrades participating in the conference unanimously expressed the desire to make contributions to enlivening the northeast's economy in the pioneering spirit of innovation.

The conference affirmed the achievements of the northeast China economic zone in economic construction and summed up experiences and lessons. The conference pointed out that at present, the economic front should concentrate on persistently implementing the guidelines of the National Conference of Party Delegates. In arranging the "Seventh 5-Year" Plan, the economic front should strictly control the scale of the investment in fixed assets, make efforts to ensure the construction of key projects, and pay special attention to use only the portion of the funds collected to carry out key construction projects. During the "Seventh 5-Year" Plan period, the strains on energy resources and transport will continue to be factors conditioning the economic and social development of the northeast. Thus, ensuring the construction of key projects for energy resources and transport during the "Seventh 5-Year" Plan period is a matter not only relating to economic development in this period but also affecting economic work in the period of transition from the "Seventh 5-Year" Plan period to the "Eighth 5-Year" Plan period, and the northeast's economic development in the coming decade. This is a long-term plan for enlivening the economy of the northeast. Energy conservation is a long-term state policy. Northeast China has great potential for conserving energy resources. All localities should conscientiously implement "the northeast program for energy conservation during the 'Seventh 5-Year' Plan period" jointly approved and relayed by the State Planning Commission and the State Economic Commission and strive to attain the targets for energy conservation by 3-3.5 percent during the "Seventh 5-Year" Plan period.

During the "Seventh 5-Year" Plan period efforts should be made to ensure the technological transformation among key enterprises; that is, technological transformation must be carried out among products and enterprises with decisive factors for state construction products and enterprises with factors for saving energy resources, protecting the environment, and carrying out comprehensive utilization after technological transformation; products and enterprises with factors for creating foreign exchange; products that may replace imported ones; and enterprises with factors for manufacturing products instead of importing them.

The meeting pointed out that from now on, we should study relevant economic policies to further explore new ways to achieve the reform of the economic structure while studying and formulating plans for local economic, scientific and technological, and social development.

The meeting held: Strengthening horizontal economic and technological cooperation is the only way to liberate and develop the productive forces as well as a key link in reforming the urban economic structure. Over the past few years the northeast has made good progress in developing horizontal economic cooperation. We must upgrade our understanding of developing horizontal economic cooperation from the high strategic viewpoint of persistently carrying out reform and opening to the outside world. We must sum up experiences in developing horizontal economic cooperation and conscientiously disseminate advanced experiences. The meeting fully discussed the issue of establishing a system of holding joint conferences of different trades in northeast China, and clearly defined the units in charge of sponsoring the joint conferences of 11 key trades. The meeting discussed the agreements of intention on cooperation proposed by principal leading comrades of the three provinces in northeast China during their exchange visits and the tentative plans made by the planning office over the past 2 years; and discussed and decided, on the basis of equality, that the three provinces and autonomous region cooperatively build the Dalian economic development zone, jointly produce "first" products, and cooperatively carry out 13 key projects that may enter the international market. At the meeting, leading comrades of the three provinces and the autonomous region stated that the fraternal provinces and municipalities are welcomed to help develop the economic zone, to run plants, to conduct cooperative projects, and to run integrated operations in the economic zone. The meeting defined developing horizontal economic development according to the principle of "taking advantage of favorable conditions, avoiding weakness, basing things on voluntary participation and mutual benefit, and adopting various means for cooperative development."

Presiding over this meeting were Shen Yue, director of the Northeast China Economic Zone Planning Office under the State Council; Quan Shuren, governor of Liaoning provincial government; Gao Dezhan, governor of the Jilin provincial government; Hou Jie, governor of the Heilongjiang provincial government; and Qian Fenyong, deputy secretary of the Nei Monggol Autonomous Regional CPC Committee. Attending the meeting were Wang Luming, Peng Mengyu, and Feng Yingkue, deputy director of the Northeast China Economic Zone Planning Office under the State Council; and principal responsible comrades of Shenyang, Dalian, Harbin, and Changchun Cities, the three leagues and one city in the eastern part of Nei Monggol, and relevant units in northeast China. The State Planning Commission and the Shanghai Economic Zone Planning Office under the State Council also sent representatives to the meeting.

LI ZIQI, OTHERS CALL ON VETERAN CADRES IN GANSU

HK021209 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 31 Dec 85

[Text] This morning, leading comrades, including Li Ziqi, secretary of the provincial CPC Committee; Chen Guangyi, governor' and Ma Zuling, director of the United Front Work Department of the provincial CPC Committee, went to the quarters for veteran cadres and the provincial People's Hospital to call on some veteran cadres to extend seasonal greetings to them and to wish them happiness, good health, and long life.

SHAANXI LEADERS VISIT XIAN AIRCRAFT FACTORY

HK020811 Xian SHAANXI RIBAO in Chinese 13 Dec 85 p 1

[Report by Xun Yuanhu and Yang Jianmin: "Provincial Party, Government, and Military Leaders Bai Jinian and Others Visit Aircraft City"]

[Text] At 1630 yesterday, a white plane took off from Yanliang Airport. The weather was fine. Twenty minutes later, the plane landed safely at Xian Airport. Bai Jinian, secretary of the provincial CPC Committee, and Governor Li Qingwei happily walked down the ramp and then shook hands with the party secretary and with the manager of the Xian Aircraft Factory and said: "The Yun-7-100 that we have produced is really good. We hope you will make more contributions to the development of our country's civil aviation."

This plane had arrived back from Urumqi after a state flight test. On the morning of 12 December, the provincial party, government, and military leaders went by car to the Xian Aircraft Factory which produces Yun-7 airliners to pay a special visit. The leaders carefully listened to the refitting process of the Yun-7-100 airliners. It is learned that the airliner has completed an 18-day trial flight by flying for a total of 25 hours, and taking off and landing 25 times. The airliner can land at an airport even under complicated meteorological conditions. The airliner is suitable for use in various areas of our country. When the airliner successfully passed eight kinds of tests, all the leaders present were delighted. After being shown around the workshops, Bai Jinian wielded a brush and wrote: "A great first step." Li Qingwei shook hands with the manager Shao Guobin after writing two big characters: "rise" and "fly," and said: "I hope you will build the aircraft city well!"

Chang Lifu, member of the Central Advisory Commission of the CPC Central Committee; Sun Zuobin, member of the Standing Committee of the CPPCC; and the responsible comrades and some veteran cadres of the provincial CPC Committee, the Advisory Commission of the provincial CPC Committee, the provincial people's government, the provincial Planning Commission, the provincial CPPCC and Shaanxi Military District also took part in this activity. They included Li Xipu, Zhou Yaguang, Dong Jichang, Liang Qi, Thai Zhong, Chen Yuanfang, Huang Zhi, Yang Wenhai, Lin Yinru, Zhang Yichen, Zhu Ping, Sun Kehua, Liu Gangmin, Gang Jiansheng, Fu Daoshen, Shen Shangxian and so on.

XINJIANG REPORTS AGRICULTURAL PROGRESS, PROBLEMS

HK020137 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 31 Dec 85

[Commentary by station correspondent (Wang Zhijing): "Xinjiang Has Scored Achievements in the Second Step of Rural Reforms"]

[Summary] Xinjiang has scored good results in its second stage of rural reforms during 1985, which was the first year of readjusting the production structure.

Grain production is expected to exceed 9.9 billion jin, with an increase in average yield of 27 jin per mu over 1984. Cotton production is over 4 million dan, and its yield has exceeded 100 jin per mu for the first time. The commodity rate of agricultural and sideline products is estimated at over 53 percent. Total agricultural output value is expected to be 3.45 billion yuan, a rise of 7.8 percent over 1984. Average rural incomes have risen by 40 yuan. The area of land used for livestock breeding increased by 17 percent over 1984. Estimated total output value of the region's township enterprises is 830 million yuan, an increase of 32 percent over 1984. The number of enterprises run by townships and villages rose to 11,800, on increase of 73 percent.

"It should be noted that during the 1985 readjustment of agricultural structure, some places reduced their grain area too much. In particular, the reduction of the miscellaneous grains area was not good for developing animal husbandry and promoting grain conversion. While readjusting the rural production structure, it is essential to ensure that there is no decline in total grain output and the amount of grain available per person, and also to strive for a gradual increase in these respects.

"Due to difficulties in selling grain in some places, plus the universal increase in the prices of production materials during 1985, the enthusiasm of the peasants for growing grain was adversely affected, and the sown area of winter grain is less than in the previous year. We must also pay full attention to this problem. We must continually enhance understanding of the importance of grain production and solve a number of specific problems in grain production.

"In readjusting the region's agricultural production structure in 1986, we must, under the premise of maintaining steady increase in grain production, promote diversified undertakings in light of local conditions, focus on improving strains and quality, and promote healthy and steady development of the second stage of rural reforms in the region."

XINJIANG LEADERS MEET PLA DEPENDENTS 2 JAN

HK030307 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 2 Jan 86

[Excerpt] This morning responsible comrades of the party, government, and Army in Xinjiang and of Urumqi City held a forum in the People's Hall with dependents of Xinjiang cadres and fighters engaged in combat on the southern front, to wish them a happy new year. Song Hanliang, Tomur Dawamat, Amudong Niyazi, Zhang Sixue, Tang Guangcai, Huang Baozhang, (Tuerti Atawula), Simayi Yashengnuofu, Liu Haiqing, (Zhang Yuzheng), and (Wu Ruisheng) attended the forum.

I. 3 Jan 86

C H I N A
PRC MEDIA ON TAIWAN AFFAIRS

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HU YAOBANG URGES BOOSTING REUNIFICATION INITIATIVE

OW021520 Beijing XINHUA in English 1440 GMT 2 Jan 86

["Strictly Carry Out Policies Toward People With Relatives on Taiwan: Hu Yaobang" -- XINHUA headline]

[Text] Hangzhou, January 2 (XINHUA) -- Hu Yaobang has called for continuous implementation of the policies toward those with relatives in Taiwan to boost their initiative for China's reunification.

Hu, general secretary of the Chinese Communist Party Central Committee, made the call December 28 during an inspection tour of the late Chiang Kai-shek's hometown -- Xikou in Fenghua County, Zhejiang Province.

China's reunification is an irresistible trend of history and the common aspiration of the people on both sides of the Taiwan Straits, he said.

Local officials told Hu that 2,000 people in Fenghua, including 230 at Xikou, left with the Kuomintang army for Taiwan on the eve of national liberation in 1949.

The authorities had corrected unfair treatment suffered by their relatives during the "Cultural Revolution" and the previous political movements, Hu was told.

Most houses left by those who are in Taiwan are kept in good condition, and the houses still belong to their original owners.

Now, 18 local people with relatives in Taiwan are deputies to people's congresses above the county level, and 14 more are members of the political consultative conferences above the county level.

He was also briefed on the progress of Xikou, where the average annual income per resident was 500 yuan in 1985, up 20 percent from 1984, and primary and junior middle school education is now universal.

The town now has 37 factories, while a few years ago it was almost industrially blank.

Xikou was visited by 700 people from foreign countries, Taiwan, Hong Kong and Macao in 1985, Hu was told.

December 29 and 30 saw the party leader on the Dachen Island off Zhejiang Province, which was devastated by the fleeing Kuomintang troops in 1955.

He called on people there to work harder and make the island more prosperous. His audience included volunteers for the rebuilding of the island after its liberation.

Further Report

OW022133 Beijing XINHUA Domestic Service in Chinese 1550 GMT 2 Jan 86

[By reporters Zeng Jianhui and Fu Shanglun]

[Text] Hangzhou, 2 Jan (XINHUA) -- On New Year's Eve, Hu Yaobang, general secretary of the CPC Central Committee, came to inspect Fenghua County in east Zhejiang on the coast of the East China Sea. Fenghua is a county where a fairly large number of people had left for Taiwan. Here, Hu Yaobang checked how the policies toward those with relatives in Taiwan are being implemented.

Comrade Hu Yaobang arrived in Ningbo City from Beijing by plane on 28 December 1985. Then he headed south by car for Fenghua County. On his way to Fenghua, he inspected Xikou Township. The residents in the township took to the streets to wave at him and warmly welcomed him with prolonged applause.

In Xikou, Hu Yaobang talked to local responsible cadres. He made eager inquiries about how those with relatives in Taiwan were being treated. He asked: How many people have relatives in Taiwan? Are the policies toward those with relatives in Taiwan being implemented? What are their living and working conditions?

A comrade of the Fenghua County CPC Committee told Hu Yaobang that more than 2,000 people in Fenghua County including 230 at Xikou, the hometown of the late Chiang Kai-shek and his son Chiang Ching-kuo, left with the Kuomintang army for Taiwan on the eve of national liberation. Among those in the county who left for Taiwan, many of them still hold important posts in Taiwan. In recent years, the county firmly implemented the principles and policies toward Taiwan laid down by the central authorities. Issues regarding the implementation of policies toward those with relatives in Taiwan, including the reversal of frame-up charges and false cases and other problems left over from the past, have been solved in the whole country. Most houses left by those who are in Taiwan are kept in good condition, and the government has clearly announced that those houses still belong to their original owners. Those with relatives in Taiwan are satisfied with the way the policies toward them are being implemented. Over the past years, those with relatives in Taiwan have won political confidence in the party and people. Eighteen of them have been elected deputies to people's congresses above the county level, and 14 more elected members of the CPPCC above the county level. Forty-seven of them have been recruited into the CPC, and 40 young people among them have joined the CYL.

A comrade in Xikou Township said: Following the implementation of the responsibility systems in production in the countryside and the development of the township enterprises, the living standards of those with relatives in Taiwan have been greatly raised just like the rest of the people here. The average annual income here was 500 yuan per resident in 1985, up 20 percent from 1984. Xikou now has 37 factories including a micro-electric motor factory, and a silk-knitting plant, a reeling mill, a garment factory, and a cannery, while a few years ago it was almost industrially barren. Primary and junior middle school education is now universal here. There are new buildings in Xikou, and construction is still being stepped up. In recent years, people from foreign countries, Taiwan, Hong Kong, and Macao came to visit Xikou in an endless stream. The number of such people totaled over 700 in 1985.

After hearing the reports, Comrade Hu Yaobang expressed satisfaction with the work of Fenghua County in implementing the policies toward those with relatives in Taiwan. He pointed out: The reunification of the motherland is the trend of the times and the popular feelings of the people on both sides of the Strait. He hoped that various localities would continue to earnestly implement the policies toward those with relatives in Taiwan laid down by the central authorities, do a still better job in arousing their initiatives, and make contributions to realizing the reunification of the motherland at an early date.

CPC DEPARTMENT CRITICIZES ZHONGGUO XINWEN SHE

HK030924 Hong Kong CHENG MING in Chinese No 99, 1 Jan 86 p 81

["Reference News" by Zhen Hao: "The Propaganda Department of the CPC Central Committee Criticizes ZHONGGUO XINWEN SHE"]

[Text] Since the National Conference of Party Delegates, the party has obviously tightened its control over ideology, especially in the field of journalism and propaganda. According to reliable sources, the CPC Central Propaganda Department recently criticized ZHONGGUO XINWEN SHE for not focusing their reports on the bright side of things. The Central Propaganda Department said ZHONGGUO XINWEN SHE's reports about good things and achievements were too simple but it often reported bad things in detail. It is believed that the so-called "bad things" refer to the corrupt cases and other economic crimes committed by some party and government cadres. When reporting these cases, ZHONGGUO XINWEN SHE sometimes provides a detailed narrative.

GUANGDONG'S LIN RUO DISCUSSES ECONOMIC SITUATION

HK021055 Hong Kong WEN WEI PO in Chinese 1 Jan 86 p 3

["Special Interview": "Lin Ruo Talks About Guangdong's Economic Development"]

[Text] When the new year comes, Guangdong Provincial CPC Committee Secretary Lin Ruo asked this newspaper to convey his new year congratulations to Hong Kong and Macao compatriots and Overseas Chinese. He wished "a happy new year to everybody, good business to all friends in business and industrial circles, better development of exchanges and cooperation between Guangdong Province and Hong Kong, Macao, and other areas" and wished that "everybody could enjoy life under prosperous and stable circumstances."

Lin Ruo received this WEN WEI PO reporter in his office. After saying happy new year to each other, Lin Ruo said: "WEN WEI PO is an influential newspaper, and I often read it. Since the adoption of the opening-up policy, WEN WEI PO has carried a lot of outstanding reports about developments in the mainland and has given support to and shown concern for Guangdong Province. I express my gratitude to you for this." This reporter answered: There is a growing need among Hong Kong and Macao compatriots and Overseas Chinese to have more information about the modernization process in the mainland, and it is this newspaper's duty to report things in this regard so as to meet the needs of our readers. WEN WEI PO has decided to devote more space to publishing reports about the mainland, especially about the developments in Guangdong Province. We hope that Secretary Lin and all departments of the province will support us. Lin Ruo expressed his appreciation for this decision.

Lin Ruo was born in the Chaozhou area of Guangdong Province. He joined the CPC-led guerrillas in the 1940's. After liberation, he worked in the Zhujiang Delta area, Guangzhou, and Zhanjiang for a long time. He said that among the 5 million Hong Kong compatriots, some 4.8 million are from Guangdong Province; and more than 70 percent of the Overseas Chinese and Chinese with foreign citizenship can find their ancestral homes in Guangdong. They are still concerned about their homeland. In recent years, the policies in our country have been good. Economic construction and the people's livelihood are both developing vigorously. Economic and cultural development in Guangdong has been particularly quick. These achievements are inseparable from the support given by Hong Kong and Macao compatriots and Overseas Chinese. Secretary Lin Ruo's sincerity when talking deeply impressed this reporter.

At the request of this reporter, Lin Ruo talked briefly about the economic situation in Guangdong Province.

He said that in recent years industrial and agricultural production has increased markedly and people's living standards have been raised. Between 1981 and 1984, the average annual growth rate of the gross industrial and agricultural output value was more than 10 percent. It is expected the 1985 growth rate will be more than 18 percent. So the people's livelihood will be further improved. In addition, Guangdong Province actually used \$570 million of foreign funds in the first 8 months of 1985. It is expected that more than \$700 million of foreign funds will have been used in the whole year. In a word, the general situation is good.

This reporter asked: In 1985, the state readjusted some policies and people suspected that "opening up" would be replaced with "tightening up." How should we look at this question? Lin Ruo answered in clear and unequivocal terms: The policy of opening up and reform will be carried forward firmly, and we are firmly determined to carry them through to the end. Last year, we exposed and solved some problems in our work, but some people thought that we would change our policies and would "tighten up" things. This was a misunderstanding, and their worries are groundless. Comrade Deng Xiaoping recently told some Japanese visitors that 'China will continue to carry out her established policies and will not change the policy of opening up to the outside world. If there is any change in the future, China will just be opened wider."

Practice has shown that the special policies adopted by Guangdong Province, the flexible measures approved by the central authorities and the establishment of special economic zones, are all correct. We must continue to carry out these policies and maintain the continuity and stability of our policies. Of course, with changes in the situation, some specific measures may be readjusted. This is a normal state of affairs. For example, our country had imported too many refrigerator production lines, so the state recently stipulated that localities cannot import this type of equipment without the approval of the central authorities. Such readjustments of specific measures are unavoidable and are also necessary.

This reporter asked: "Recently, some people said that they found it more difficult to do business with the mainland, because there are more restrictions on investment. Is this true?" Lin Ruo smiled and said: "We should say that through last year's readjustments, the conditions for doing business or making investments in the mainland have become more favorable.

For example, last year we introduced the export license to control exports through unofficial channels. This measure has restored order in the export field. Many of our old trade partners have found that their business has improved. Of course, the implementation of a new measure will inevitably bring about some new problems. But these problems can be solved.

As another example, investments in recent years were excessively concentrated in some trades and this led to too much overlapping construction. Investment in these trades will not be profitable any more, so we have taken measures to direct the investments to more promising trades. This will also be favorable to the investors. People who have insight and foresight will welcome our measures."

Finally, Lin Ruo told this reporter: In 1986, we will continue to carry out the opening up policy and reforms, simultaneously develop material and spiritual civilization, focus our work on economic construction, do our best to raise work to a new level in all fields in Guangdong Province. We believe that economic relations and cooperation between Guangdong Province and Hong Kong will also develop further.

MING PAO ON PARTY RECTIFICATION IN MILITARY REGIONS

HK030646 Hong Kong MING PAO in Chinese 2 Jan 86 p 5

["Special Dispatch From Beijing": "Nanjing Military Region Makes Arrangements for Making Up Missed Lessons in Party Rectification at and Above Divisional Level. With Stress on Straightening Out Party Style"]

[Text] The Chinese PLA's Nanjing Military Region CPC Committee recently drew up plans stipulating that party committees and organs of units at and above the divisional level should without exception concentrate efforts to carry out make-up lessons in party rectification with stress on correcting party style before the Spring Festival.

It was learned that party rectification at units at and above divisional level in the Nanjing Military Region had been completed as early as September 1985. However, upon inspection by the military region's party committee, it was deemed that some units had insufficient understanding of the importance of correcting unhealthy practices and that problems were not resolved thoroughly, and were even dealt with superficially.

After the CPC Central Committee's General Office and the State Council General Office issued a circular on resolutely checking on current unhealthy trends in party and government organs, Yu Quili, director of the General Political Department, inspected work at the Nanjing Military Region not long ago, and urged the Army to pay close attention to correcting party style in accordance with the guidelines of the circular. Hence, the Nanjing Military Region's party committee decided that party committees and organs of units at and above divisional level should conduct make-up lessons on party rectification with emphasis on correcting party style, and should handle these lessons as a major issue before the Spring Festival. They should closely measure the realities of their own units against the standards according to the guidelines of the circular, and seriously sum up experiences. At the same time, based on the present new situation, they should revise and perfect corrective measures formulated in the course of party rectification, and set up a sound system of rules and regulations to guard against unhealthy practices.

In drawing up the plans for make-up lessons on party rectification with emphasis on correcting party styles. Xiang Shouzhui, party committee secretary and commander of the Nanjing Military Region, emphatically pointed out: Conducting make-up lessons on party rectification is an important step for realizing the fundamental improvement of party style of the units in the military region. On the question of correcting party style of the units in the military region, the party committees and organs at regional, Army, and divisional levels bear particularly heavy responsibilities, and must take the lead in examination and reform. Once the problems in the leadership are resolved, the correcting of party style will gain appealing and persuasive powers. Thus, party committees and the leadership at all levels at and above divisional level should make determined efforts and adopt concrete measures to do a good job of these make-up lessons on party rectification and ensure effective results.

In a forum of Army cadres at and above Army level held in the Beijing Military Region on 24 December, Yang Shangkun, permanent vice chairman of the CPC Central Committee Military Commission, said to some 50 officers at and above Army Level: It should be noted that the Army's party style still has a long way to go to meet the requirements for its fundamental improvement. Therefore, the Army, in particular its senior officers, should take the lead and play an exemplary role in correcting party style. They must not blindly seek high speed in emulating outstanding units, but instead should resolve existing problems.

They may apply party rectification methods in solving previous problems, and on the basis of arousing consciousness, conduct examinations and reforms.

Yang Shangkun hoped that the Beijing Military Region would take the lead in the entire Army and strive to make remarkable achievements in correcting party style before 1 October 1986.

PRC, UK SIGN AGREEMENT ON DAYA BAY NUCLEAR PLANT

HK030701 Hong Kong SOUTH CHINA MORNING POST in English 3 Jan 86 p 1

[By Albert Chan]

[Text] A final accord was reached on New Year's Eve between Britain's GEC [General Electric Company] group and China for the supply of power generators for the country's first commercial nuclear plant in Daya Bay, Shenzhen.

Together with the Sino-French accord signed 12 days ago, the British contract, carrying a price tag of 250 million pound (about HK\$2.78 billion), will put the plant in action in 1992 -- several months later than the original projected commissioning date.

According to Mr James Cronin, assistant managing director of GEC Turbine Generators, it has been agreed that the commissioning date for the plant's first 900-megawatt unit will be 1992 and the second unit the following year. The commissioning date was earlier scheduled for the end of 1991, in time to meet Hong Kong's summer peak in September 1992.

But one official of China Light and Power Co, which will depend on the plant for power supply in the 1990s, said yesterday there will not be any serious problem if the commissioning date is before September 1992. He added, however, that this is based on present forecasts which put the annual growth in electricity demand in Hong Kong for the next seven years at seven percent.

GEC and China signed a memorandum of understanding for the supply of turbine generators on Tuesday after more than five years of hard bargaining that involved not only the British company but heads of both states. Agreement on the nuclear part of the plant was struck on December 20 and 21 when China signed separate memoranda of understanding with Framatome, the French reactor manufacturer, and Electricite de France, the French firm responsible for overall engineering design. The British and French accords marked a milestone in the project which has been hanging in the balance for the past few months with negotiations at a critical stage.

Chinese Vice-Premier Mr Li Peng met the British Ambassador, Sir Richard Evans, and the French Ambassador, Mr Charles Malo, on Wednesday to congratulate them on the deal.

Describing the memorandum of understanding as a good beginning for the project, Mr Li said he hopes all involved parties will heighten their cooperation to bring to reality what has been written in the documents. "Its completion will serve the long prosperity and stability of Hong Kong," Mr Li said.

Hong Kong will purchase 70 percent of the electricity generated by the Daya Bay plant with the rest going to Guangdong Province.

Much time in the protracted negotiations over the last few years has been spent on technical specifications and ensuring compatibility between the British and French equipment, since this is the first time Framatome and GEC have been brought together on a nuclear plant of this magnitude.

Formal negotiations on the project's price and financing began in the middle of last year and sharp differences among the negotiations were apparent. Talks resumed in October, but again the three sides failed to come to any conclusion.

Mr Rober Davidson, GEC's managing director who is currently in Beijing, told the SCM [SOUTH CHINA MORNING] POST yesterday the tough negotiations continued through the Christmas holidays. He said his company is "very pleased" with the deal which, according to sources close to the negotiations, is worth "more than" 250 million pound (about HK\$2.78 billion) excluding interest.

The French equipment is worth about HK\$5.5 billion, also exclusive of interest.

The next and final hurdle of the project will be the financing arrangements for the British equipment.

It has been learnt that a team of British bankers led by the Midland Bank will go to Beijing shortly to hold talks with the Bank of China on the matter. The French bankers have already reached agreement with the Chinese on financing.

A senior Chinese official said detailed site plans for the plant, which will be prepared by the French and British companies, are expected to be available by April and excavation work can begin then.

The present thinking involves signing letters of intent with Framatome and GEC in early March and formal contracts a few months later. But the exact date of contract signing is undecided.

MING PAO ON DISMISSAL OF CORRUPT GUANGXI OFFICIAL

HK030804 Hong Kong MING PAO in Chinese 1 Jan 86 p 5

["Special Dispatch From Nanning": "Guangxi Punishes Grafters; Petrochemical Industry Department Chief Dismissed"]

[Text] Wang Ying reports: Hu Fusheng, party organization secretary and acting head of the Petrochemical Industry Department of the Guangxi Zhuang Autonomous Region, was recently stripped of his party membership along with all his positions inside and outside the party after he had been found guilty of serious graft and corruption following investigations by the autonomous region's party committee and government. In addition, Hu's salary was reduced by one grade, and administratively, he will be treated as an ordinary cadre in the reassignment of work.

It was learned that Hu Fusheng was not only a corrupt element, but an opportunist as well. He took advantage of the occasion when Guangxi was dealing with leftover problems from the Cultural Revolution, sorting out the "three kinds of people" (namely those who made their political fortunes by rebelling, engaged in beating, smashing, and looting, and pursued factionalism), and reorganizing the leading bodies of departments and bureaus. By promising government positions and other favors, he conspired, bribed, and drew support from some people who, in turn, repeatedly wrote "letters of recommendation" to the leaders concerned of the autonomous region and advised that Hu be named the region's petrochemical industry department chief. It was thus that he was able to climb to the leading positions of party organization secretary and acting chief of the Petrochemical Industry Department. After he had been exposed as having more than 4,000 yuan in bribes, he refused to admit his errors and the matter dragged on to this day.

Hu Fusheng was originally party committee secretary and director of a phosphate fertilizer plant in Guangxi's Liucheng. While still at the plant, he took advantage of the great demand for the plant's products and secretly extracted money from consumers.

Since 1980, Guangxi paid close attention to sorting out the "three kinds of people" from the Cultural Revolution period, dismissed a number of cadres with records of beating, smashing, and looting and those who are unqualified for department and bureau posts, and began looking for new candidates for leading positions. Hu Fusheng campaigned actively, and by promising government offices and other favors, he conspired, bribed and lured some workers, cadres and old friends and colleagues into writing letters recommending him to the region's party committee and government leaders. These so-called "letters of recommendation" greatly exaggerated Hu Fusheng's "emancipated mind," "economic knowhow," "management expertise," his being a pioneering type of cadre who supports reform, and that he could be a candidate for the region's second or third echelon of leadership. Some "letters of recommendation" even asked that Hu Fusheng be appointed chief of the region's Petrochemical Industry Department.

After assuming the leading post in the Petrochemical Industry Department, Hu Fusheng indeed employed a number of confidants and promoted them to high positions. However, some of these people remained dissatisfied, complained constantly and let out the secret, thereby leading to exposure of Hu Fusheng's graft and corruption. Following repeated investigations by Guangxi's discipline inspection departments, the evidence was verified and severe punishments were meted out.

Guangxi Autonomous Region authorities issued a document calling on leading cadres at all levels to draw lessons from the Hu Fusheng incident and to guard seriously against new careerists usurping power of party organizations and governments at all levels.

GUANGDONG TO HOLD ECONOMIC, TRADE EXHIBIT 4-11 JAN

HK030633 Hong Kong HONG KONG STANDARD (BUSINESS STANDARD Supplement) in English
3 Jan 86 p 1

[Text] Guangdong Province aims to show the progress it has made over the years since China launched its open-door policy in 1979.

This was said yesterday by Mr Yu Fei, vice governor of the province.

The progress is to be shown to the public through the Guangdong Economic and Trade Exhibition which will last from tomorrow to Jan 11, Mr Yu said.

Mr Yu, who is also the delegation leader, said that the exhibition was the largest the province has ever held and that the previous ones did not represent the province's development. Taking up 3,000 sq m at the Hong Kong Exhibition Centre, the 167 booths will display a total of 16,000 items under 4,000 categories, an indication of the progress the province has made, he said.

Mr Yu also said that Hong Kong and Macao had so far taken 80 percent of trade with the province, which meant more effort had to be put into international trade. "The province would like to see more trade being conducted with other foreign countries with Guangdong officials focusing more on promoting international trade from now on," he added.

He stressed that the Chinese Government tries to set up rules and regulations that are favourable to trade and investment. He also said that he would listen to China traders to get a better understanding of the problems they face.

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